

## OFFICIAL STATEMENT DATED JUNE 1, 2023

NEW ISSUE (BOOK-ENTRY ONLY)

RATING: Moody's: "MIG 1"  
See "RATING" herein

In the opinion of Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey ("Bond Counsel"), under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance by the Township (as defined herein) with certain covenants described herein, interest on the Notes (as defined herein) (i) is not includable in gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) is not treated as a preference item under Section 57 of the Code for purposes of computing the Federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the Federal alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022. Bond Counsel is further of the opinion that, under existing laws of the State of New Jersey, interest on the Notes and any gain on the sale thereof are not includable in gross income under the New Jersey Gross Income Tax Act, as amended. Bond Counsel's opinions described herein are given in reliance on representations, certifications of fact, and statements of reasonable expectation made by the Township in its Tax Certificate (as defined herein), assume continuing compliance by the Township with certain covenants set forth in its Tax Certificate, and are based on existing statutes, regulations, administrative pronouncements and judicial decisions. See "TAX EXEMPTION" herein.

### TOWNSHIP OF BRICK IN THE COUNTY OF OCEAN STATE OF NEW JERSEY

\$23,732,739  
BOND ANTICIPATION NOTES, SERIES 2023

(NON-CALLABLE)

Dated: Date of Delivery  
Maturity Date: June 12, 2024  
Coupon: 5.00%  
Yield: 3.65%  
CUSIP\*: 107889XB8

The \$23,732,739 aggregate principal amount of Bond Anticipation Notes, Series 2023, (the "Notes"), dated June 13, 2023 and maturing on June 12, 2024, are general obligations of the Township of Brick, in the County of Ocean, State of New Jersey (the "Township"), payable in the first instance from the proceeds of the sale of the bonds or notes issued in anticipation of bonds, but if not so paid or if not paid from other sources, are payable ultimately from *ad valorem* taxes levied upon all the taxable property located within the Township for the payment of the principal of the Notes and the interest thereon without limitation as to rate or amount.

The Notes will be issued in fully registered book-entry only form and, when issued, will be registered in the name of, and held by, Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC, an automated depository for securities and clearing house for securities transactions, will act as securities depository for the Notes. Individual purchases of the Notes will be made in book-entry only form, without certificates, in the principal amount of \$1,000 each or any integral multiple thereof, with a minimum purchase of \$5,000 required, or any odd denomination thereof, through book entries made on the books and records of DTC and its participants.

The Notes will bear interest at the rate set forth above, commencing on their date of delivery. Principal of and interest on the Notes will be payable by the Township or a duly designated paying agent on the date of maturity at the offices of the Township or a duly designated paying agent.

While DTC is acting as securities depository for the Notes, the principal of and interest on the Notes will be payable by wire transfer to DTC or its nominee, which is obligated to remit such principal and interest payments to DTC Participants. DTC Participants and Indirect Participants will be responsible for remitting such principal and interest payments to the Beneficial Owners (as defined herein) of the Notes. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Notes are authorized by, and are issued pursuant to: (i) the provisions of the Local Bond Law of the State of New Jersey, N.J.S.A. 40A:2-1 *et seq.*, as amended and supplemented (the "Local Bond Law"); (ii) various bond ordinances duly adopted by the Township Council of the Township on the dates set forth herein, approved by the Mayor, and published as required by law; and (iii) a resolution duly adopted by the Township Council of the Township on May 23, 2023.

The Notes are being issued to (i) refund, on a current basis, a \$15,210,939 principal portion of prior bond anticipation notes of the Township issued in the aggregate principal amount of \$15,211,155 on June 16, 2022 and maturing on June 15, 2023 (the "Prior Notes") (with the remaining principal portion of such Prior Notes being paid by other funds available to the Township in the amount of \$216); and (ii) temporarily finance the cost of various capital improvements and acquisitions in and by the Township in the amount of \$8,521,800, including paying the costs associated with the issuance of the Notes.

The Notes are not subject to redemption prior to their stated maturity. See "DESCRIPTION OF THE NOTES" under the subheading entitled "Optional Redemption".

The Notes are not a debt or obligation, legal, moral or otherwise, of the State of New Jersey, or any county, municipality or political subdivision thereof other than the Township.

This cover page contains certain information for quick reference only. It is not a summary of the issue. Investors must read the entire Official Statement, including all appendices, to obtain information essential to making an informed investment decision.

**The Notes are offered when, as and if issued and delivered to the Underwriter subject to the approval of the legality thereof by Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey, Bond Counsel to the Township, and certain other conditions. NW Financial Group, LLC, Hoboken, New Jersey has served as Municipal Advisor to the Township in connection with the issuance of the Notes. Certain legal matters will be passed upon for the Township by the Township Attorney, Kevin N. Starkey, Esq., Starkey, Kelly, Kenneally, Cunningham & Turnbach, Toms River, New Jersey. It is anticipated that the Notes will be available for delivery through DTC on or about June 13, 2023.**

## TD Securities (USA) LLC

\* Registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP number listed above is being provided solely for the convenience of Noteholders only at the time of issuance of the Notes and the City does not make any representation with respect to such number or undertake any responsibility for its accuracy now or at any time in the future. The CUSIP number is subject to being changed after the issuance of the Notes as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to the Notes.

**TOWNSHIP OF BRICK  
IN THE COUNTY OF OCEAN  
STATE OF NEW JERSEY**

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**MAYOR**

Lisa Crate

**TOWNSHIP COUNCIL MEMBERS**

Heather deJong, President  
Andrea Zapcic, Vice President  
Perry Albanese  
Derrick T. Ambrosino  
Vincent Minichino  
Marianna Pontoriero  
Melissa Travers

**TOWNSHIP BUSINESS ADMINISTRATOR**

Joanne Bergin

**CHIEF FINANCIAL OFFICER**

Maureen Laffey-Berg

**TOWNSHIP CLERK**

Lynnette A. Iannarone

**TOWNSHIP ATTORNEY**

Starkey, Kelly, Kenneally, Cunningham & Turnbach  
Toms River, New Jersey

**TOWNSHIP AUDITOR**

Fallon & Company LLP  
Hazlet, New Jersey

**TOWNSHIP MUNICIPAL ADVISOR**

NW Financial Group, LLC  
Hoboken, New Jersey

**BOND COUNSEL**

Wilentz, Goldman & Spitzer, P.A.  
Woodbridge, New Jersey

No dealer, broker, salesperson or other person has been authorized by the Township of Brick, in the County of Ocean, State of New Jersey (the "Township"), to give any information or to make any representations with respect to the Notes other than those contained in this Official Statement and if given or made, such information or representation must not be relied upon as having been authorized by the Township. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale.

The information contained herein has been provided by the Township, The Depository Trust Company, New York, New York ("DTC") and other sources deemed reliable by the Township; however, no representation or warranty is made as to its accuracy or completeness, and as to the information from sources other than the Township, such information is not to be construed as a representation or warranty by the Township.

This Official Statement is not to be construed as a contract or agreement between the Township and the purchasers or owners of any of the Notes. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in any of the information herein since the date hereof, or the date as of which such information is given, if earlier. The Township has not confirmed the accuracy or completeness of information relating to DTC, which information has been provided by DTC.

References in this Official Statement to laws, rules, regulations, resolutions, ordinances, agreements, reports and documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of, and exceptions to, statements made herein. This Official Statement should be read in its entirety.

The presentation of information is intended to show recent historical information except as expressly stated otherwise, and is not intended to indicate future or continuing trends in the financial condition or other affairs of the Township. No representation is made that past experience, as is shown by the financial and other information included herein, will necessarily continue or be repeated in the future.

The order and placement of materials in this Official Statement, including the appendices, are not deemed to be a determination of the relevance, materiality or importance thereof, and this Official Statement, including the appendices, must be considered in its entirety.

In order to facilitate the distribution of the Notes, the Underwriter (as defined herein) may engage in transactions intended to stabilize the price of the Notes at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The price at which the Notes are offered to the public by the Underwriter and the yield resulting therefrom may vary from the initial public offering price or yield on the cover page hereof. In addition, the Underwriter may allow concessions or discounts from such initial public offering price to dealers and others.

The Underwriter has reviewed the information in this Official Statement in accordance with and as part of its responsibilities to investors under the Federal Securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

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**OFFICIAL STATEMENT**  
**OF THE**  
**TOWNSHIP OF BRICK**  
**IN THE COUNTY OF OCEAN, STATE OF NEW JERSEY**  
**RELATING TO**  
**\$23,732,739**  
**BOND ANTICIPATION NOTES, SERIES 2023**

**INTRODUCTION**

The purpose of this Official Statement is to provide certain information regarding the financial and economic condition of the Township of Brick (the "Township"), in the County of Ocean (the "County"), State of New Jersey (the "State"), in connection with the offering, sale and issuance of \$23,732,739 aggregate principal amount of Bond Anticipation Notes, Series 2023, dated June 13, 2023 and maturing on June 12, 2024 (the "Notes"), of the Township. This Official Statement, which includes the cover page and appendices attached hereto, has been authorized by the Township Council of the Township, executed by and on behalf of the Township by its Chief Financial Officer, and is to be distributed in connection with the offering, sale and issuance of the Notes.

This Official Statement contains specific information relating to the Notes including their general description, certain matters affecting the financing, certain legal matters, historical financial information and other information pertinent to the sale, issuance and delivery of the Notes. This Official Statement should be read in its entirety.

All financial and other information presented herein has been provided by the Township from its records, except for information expressly attributed to other sources. The presentation of information is intended to show recent historical information and, but only to the extent specifically provided herein, certain projections of the immediate future, and is not necessarily indicative of future or continuing trends in the financial position or other affairs of the Township.

**DESCRIPTION OF THE NOTES**

**General Description**

The Notes shall be dated the date of delivery thereof, shall bear interest at the rate as indicated on the front cover page of this Official Statement, and are payable upon the maturity date thereof. Interest on the Notes is calculated on the basis of twelve (12) thirty (30) day months in a three hundred sixty (360) day year.

The Notes will be issued as fully registered notes in book-entry only form, and when issued, will be registered in the name of and held by Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Notes. Principal of and interest on the Notes will be payable by the Township or a duly designated paying agent (the "Paying Agent") on the date of maturity of the Notes by wire transfer of immediately available funds to DTC or its nominee, Cede & Co. Purchases of beneficial interests in the Notes will be made in book-entry only form, without certificates, in denominations of \$1,000 each or any integral multiple thereof, with a minimum purchase of \$5,000 required, or any odd denomination thereof, through book entries made on the books and records of DTC and its participants. Under certain circumstances, such beneficial interests in the Notes are exchangeable for one or more fully registered Note certificates in authorized denominations.

The Note certificate will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its participants and transfers of the interests among its participants. The participants will be responsible for maintaining records regarding the beneficial ownership interests in the

Notes on behalf of the individual purchasers. Individual purchasers of the Notes will not receive certificates representing their beneficial ownership interests in the Notes, but each book-entry owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Notes purchased. So long as DTC or its nominee, Cede & Co., is the registered owner of the Notes, payments of the principal of and interest on the Notes will be made by the Township or the Paying Agent directly to DTC or its nominee, Cede & Co., which will, in turn, remit such payments to DTC Participants and Indirect Participants, which will, in turn, remit such payments to the beneficial owners of the Notes. See “BOOK-ENTRY ONLY SYSTEM” herein.

**Optional Redemption**

The Notes are not subject to redemption prior to their stated date of maturity.

**Authorization for the Issuance of the Notes**

The Notes are authorized by, and are issued pursuant to: (i) the provisions of the Local Bond Law of the State of New Jersey, N.J.S.A. 40A:2-1 *et seq.*, as amended and supplemented (the “Local Bond Law”); (ii) various bond ordinances duly adopted by the Township Council of the Township on the dates set forth in the chart below under the subheading “Purpose of the Notes”, approved by the Mayor, and published as required by law; and (iii) a resolution duly adopted by the Township Council of the Township on May 23, 2023.

The bond ordinances authorizing the Notes were published in full or in summary after their final adoption along with the statement that the twenty (20) day period of limitation within which a suit, action or proceeding questioning the validity of such bond ordinances could be commenced began to run from the date of the first publication of such statement. The Local Bond Law provides, that after issuance, all obligations shall be conclusively presumed to be fully authorized and issued by all laws of the State, and all persons shall be estopped from questioning their sale, execution or delivery by the Township. Such estoppel period for each of the bond ordinances has concluded as of the date of this Official Statement.

**Purpose of the Notes**

The Notes are being issued to (i) refund, on a current basis, a \$15,210,939 principal portion of prior bond anticipation notes of the Township issued in the aggregate principal amount of \$15,211,155 on June 16, 2022 and maturing on June 15, 2023 (the “Prior Notes”) (with the remaining principal portion of such Prior Notes being paid by other funds available to the Township in the amount of \$216); and (ii) temporarily finance the cost of various capital improvements and acquisitions in and by the Township in the amount of \$8,521,800, including paying the costs associated with the issuance of the Notes.

The Notes and the improvements or purposes for which the Notes are to be issued have been authorized by bond ordinances duly adopted by the Township Council of the Township, which bond ordinances are described in the following table by Ordinance Number, Description and Date of Final Adoption, and the Amount to be Issued for such purposes. The bond ordinances are as follows:

**\$23,732,739**  
**Bond Anticipation Notes**

<b>Ordinance Number</b>	<b>Description and Date of Final Adoption</b>	<b>Amount to be Issued</b>
12-16	Various Capital Improvements and Acquisitions – Class C Buildings and Grounds Improvements, finally adopted 7/12/16	\$ 1,500,159.92

<b>Ordinance Number</b>	<b>Description and Date of Final Adoption</b>	<b>Amount to be Issued</b>
8-17	Various Capital Improvements and Acquisitions, finally adopted 6/27/17	97,236.31
9-17	Various Capital Improvements and Acquisitions, finally adopted 6/27/17	\$ 103,214.79
11-17	Various Capital Improvements and Acquisitions, finally adopted 6/27/17	180,747.52
12-18	Various Capital Improvements and Acquisitions, finally adopted 5/22/18	49,870.00
13-18	Various Capital Improvements and Acquisitions, finally adopted 5/22/18	496,848.29
14-18	Various Capital Improvements and Acquisitions, finally adopted 5/22/18	100,000.00
15-18	Various Capital Improvements and Acquisitions, finally adopted 5/22/18	236,106.82
6-19	Various Capital Improvements and Acquisitions, finally adopted 6/11/19	800,608.74
7-19	Various Capital Improvements and Acquisitions, finally adopted 6/11/19	93,338.10
8-19	Various Capital Improvements and Acquisitions, finally adopted 6/11/19	2,595,152.90
9-19	Various Capital Improvements and Acquisitions, finally adopted 6/11/19	1,489,113.26
5-20	Various Capital Improvements and Acquisitions, finally adopted 6/9/20	1,744,481.55
6-20	Various Capital Improvements and Acquisitions, finally adopted 6/9/20	281,150.00
7-20	Various Capital Improvements and Acquisitions, finally adopted 6/9/20	2,529,897.34
8-20	Various Capital Improvements and Acquisitions, finally adopted 6/9/20	686,266.50
15-20	Various Capital Improvements and Acquisitions, finally adopted 11/10/20	742,432.39
16-20	Various Capital Improvements and Acquisitions, finally adopted 11/10/20	235,000.00

<b>Ordinance Number</b>	<b>Description and Date of Final Adoption</b>	<b>Amount to be Issued</b>
17-20	Various Capital Improvements and Acquisitions, finally adopted 11/10/20	564,314.57
9-21	Various Capital Improvements and Acquisitions, finally adopted 7/13/21	\$ 1,520,000.00
10-21	Various Capital Improvements and Acquisitions, finally adopted 7/13/21	491,100.00
11-21	Various Capital Improvements and Acquisitions, finally adopted 7/13/21	2,010,000.00
12-21	Various Capital Improvements and Acquisitions, finally adopted 7/13/21	735,000.00
7-22	Dredging of the Nejecho Beach Lagoon, finally adopted 5/10/22	700.00
8-22	Various Capital Improvements and Acquisitions, finally adopted 5/24/22	1,975,000.00
9-22	Various Capital Improvements and Acquisitions, finally adopted 5/24/22	100,000.00
10-22	Various Capital Improvements and Acquisitions, finally adopted 5/24/22	1,945,000.00
11-22	Various Capital Improvements and Acquisitions, finally adopted 5/24/22	430,000.00
	TOTAL:	<b><u>\$ 23,732,739.00</u></b>

### **Payment of Notes**

As hereinafter stated, the Notes are general obligations of the Township for which the full faith and credit of the Township will be pledged. The Township is authorized and required by law to levy *ad valorem* taxes upon all taxable property located within the Township for the payment of principal of and interest on the Notes without limitation as to rate or amount.

### **SECURITY AND PAYMENT FOR THE NOTES**

The Notes are valid and legally binding general obligations of the Township for which the full faith and credit of the Township are irrevocably pledged for the punctual payment of the principal of and interest on the Notes. Unless otherwise paid from other sources, the Township has the power and is obligated by law to levy *ad valorem* taxes upon all the taxable property located within the Township for the payment of the principal of the Notes and the interest thereon without limitation as to rate or amount.

The Township is required by law to include the total amount of principal of and interest on all of its general obligation indebtedness, such as the Notes, for the current year in each annual budget unless provision has been made for payment of such general obligation indebtedness from other sources. The

enforceability of rights or remedies with respect to the Notes may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights or remedies heretofore or hereafter enacted. See "RISK TO HOLDERS OF NOTES" herein.

The Notes are not a debt or obligation, legal, moral or otherwise of the State or any county, municipality or political subdivision thereof, other than the Township.

### **NO DEFAULT**

There is no report of any default in the payment of the principal of, redemption premium, if any, and interest on the bonds, notes or other obligations of the Township as of the date hereof.

### **MARKET PROTECTION**

The Township does not anticipate issuing any additional debt in 2023.

### **BOOK-ENTRY ONLY SYSTEM\***

The description which follows of the procedures and record keeping with respect to beneficial ownership interests in the Notes, payment of principal and interest, and other payments on the Notes to DTC Participants or Beneficial Owners (as such terms are defined or used herein), confirmation and transfer of beneficial ownership interests in the Notes and other related transactions by and between DTC, DTC Participants and Beneficial Owners, is based on certain information furnished by DTC to the Township. Accordingly, the Township does not make any representations concerning these matters.

DTC will act as securities depository for the Notes. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Note certificate will be issued for the Notes in the principal amount of the Notes, as set forth on the cover page hereof, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of the actual purchaser of the

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\* Source: The Depository Trust Company.

Notes (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of the Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners, or in the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes, unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Township as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Township or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name”, and will be the responsibility of such Participant and not of DTC, nor its nominee, Paying Agent or the Township, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on the Notes to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Township or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to the Township or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, the Note certificate is required to be printed and delivered.

The Paying Agent, upon direction of the Township, may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the Note certificate will be printed and delivered.

**The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that the Township believes to be reliable, but the Township takes no responsibility for the accuracy thereof.**



## **Discontinuance of Book-Entry Only System**

In the event that the book-entry-only system is discontinued and the Beneficial Owners become registered owners of the Notes, the following provisions apply: (i) the Notes may be exchanged for an equal aggregate principal amount of Notes in other authorized denominations and of the same maturity, upon surrender thereof at the office of the Chief Financial Officer of the Township or Paying Agent; (ii) the transfer of any Notes may be registered on the books maintained by the Township or Paying Agent for such purposes only upon the surrender thereof to the Chief Financial Officer of the Township or Paying Agent together with the duly executed assignment in form satisfactory to the Township or Paying Agent; and (iii) for every exchange or registration of transfer of Notes, the Township or Paying Agent may make a charge sufficient to reimburse itself for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer of Notes. Interest on the Notes will be payable by check or draft, mailed on the maturity date of the Notes to the registered owners thereof

## **PROVISIONS FOR THE PROTECTION OF GENERAL OBLIGATION DEBT**

### **Procedure for Authorization**

The Township has no constitutional limit on its power to incur indebtedness other than that it may issue obligations only for public purposes pursuant to State statutes. The authorization and issuance of Township debt, including the purpose, amount and nature thereof, the method and manner of the incurrence of such debt, the maturity and terms of repayment thereof, and other related matters are statutory. The Township is not required to submit the proposed incurrence of indebtedness to a public referendum.

The Township, by bond ordinance, may authorize and issue negotiable obligations for the financing of any capital improvement or property which it may lawfully acquire, or any purpose for which it is authorized or required by law to make an appropriation, except current expenses and payment of obligations (other than those for temporary financings). Bond ordinances must be finally adopted by the recorded affirmative vote of at least two-thirds of the full membership of the Township Council and, if applicable, approval by the Mayor prior to publication. The Local Bond Law requires publication and posting of the bond ordinance or a summary thereof. If the bond ordinance requires approval or endorsement of the State, it cannot be finally adopted until such approval has been received. The Local Bond Law provides that a bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption. At the conclusion of the twenty-day period, all challenges to the validity of the obligations authorized by such bond ordinance shall be precluded except for constitutional matters. Moreover, after issuance, all obligations are conclusively presumed to be fully authorized and issued by all laws of the State and any person shall be estopped from questioning their sale, execution or delivery by the Township.

### **Local Bond Law (N.J.S.A. 40A:2-1 et seq.)**

The Notes are being issued pursuant to the provisions of the Local Bond Law. The Local Bond Law governs the issuance of bonds and notes to finance certain municipal capital expenditures. Among its provisions are requirements that bonds or notes must mature within the statutory period of usefulness of the projects being financed, that bonds be retired in either serial or sinking fund installments, and that, unlike school debt, and with some exceptions, including self-liquidating obligations and those improvements involving certain State grants, a five percent (5%) cash down payment of the amount of bonds and notes authorized must be generally provided. Such down payment must have been raised by budgetary appropriations, from cash on hand previously contributed for the purpose or by emergency resolution adopted pursuant to the Local Budget Law, N.J.S.A. 40A:4-1 et seq., as amended and supplemented (the "Local Budget Law"). All bonds and notes issued by the Township are general "full faith and credit" obligations.

### **Short Term Financing**

Local governmental units (including the Township) may issue bond anticipation notes to temporarily finance a capital improvement or project in anticipation of the issuance of bonds if the bond ordinance or subsequent resolution so provides. Such bond anticipation notes for capital improvements may be issued in an aggregate amount not exceeding the amount of bonds authorized in the ordinance, as may be amended and supplemented, creating such capital expenditure. A local unit's bond anticipation notes may be issued

and renewed for periods not exceeding one (1) year, with the final maturity occurring and being paid no later than the first day of the fifth month following the close of the tenth fiscal year after the original issuance of the notes, provided that no notes may be renewed beyond the third anniversary date of the original notes and each anniversary date thereafter unless an amount of such notes at least equal to the first legally payable installment of the anticipated bonds (the first year's principal payment), is paid and retired from funds other than the proceeds of obligations on or before the third anniversary date and each anniversary date thereafter.

The issuance of tax anticipation notes by a municipality is limited in amount by the provisions of the Local Budget Law and may be renewed from time to time, but, in the case of a municipality such as the Township, all such notes and renewals thereof must mature not later than 120 days after the end of the fiscal year in which such notes were issued.

#### **Refunding Bonds (N.J.S.A. 40A:2-51 et seq.)**

Refunding bonds may be issued by a local unit pursuant to the Local Bond Law for the purpose of paying, funding or refunding its outstanding bonds, including emergency appropriations, the actuarial liabilities of a non-State administered public employee pension system, the present value of unfunded accrued liabilities for State administered early retirement incentive benefits, amounts owing to others for taxes levied in the local unit, or any renewals or extensions thereof, and for paying the cost of issuance of refunding bonds. The Local Finance Board, in the Division of Local Governmental Services, New Jersey Department of Community Affairs (the "Local Finance Board") must approve the authorization of the issuance of refunding bonds. If refunding bonds are issued in accordance with N.J.A.C. 5:30-2.5, no approval is required by the Local Finance Board; however, the details of the sale, issuance and delivery of the refunding bonds will be delivered to the Local Finance Board within then (10) days of the delivery of the refunding bonds.

#### **Statutory Debt Limitation (N.J.S.A. 40A:2-6 et seq.)**

There are statutory requirements which limit the amount of debt which the Township is permitted to authorize. The authorized bonded indebtedness of a local unit is limited by the Local Bond Law and other laws to an amount equal to three and one-half percent (3 1/2%) of its stated average equalized valuation basis, subject to certain exceptions noted below. The stated equalized valuation basis is set by statute as the average of the equalized valuations of all taxable real property, together with improvements to such property, and the assessed valuation of certain Class II railroad property within the boundaries of the Township for each of the last three (3) preceding years as annually certified in the valuation of all taxable real property, in the Table of Equalized Valuation by the Director of the Division of Taxation, in the New Jersey Department of the Treasury (the "Division of Taxation"). Certain categories of debt are permitted by statute to be deducted for the purposes of computing the statutory debt limit. The Local Bond Law permits the issuance of certain obligations, including obligations issued for certain emergency or self-liquidating purposes, notwithstanding the statutory debt limitation described above; but, with certain exceptions, it is then necessary to obtain the approval of the Local Finance Board. See "Exceptions to Debt Limitation-Extensions of Credit" herein.

As shown in APPENDIX A, the Township has not exceeded its statutory debt limit.

#### **Exceptions to Debt Limitation – Extensions of Credit (N.J.S.A. 40A:2-7 et seq.)**

The debt limit of the Township may be exceeded with the approval of the Local Finance Board. If all or any part of a proposed debt authorization is to exceed its debt limit, the Township must apply to the Local Finance Board for an extension of credit. The Local Finance Board considers the request, concentrating its review on the effect of the proposed authorization on outstanding obligations and operating expenses and the anticipated ability to meet the proposed obligations. If the Local Finance Board determines that a proposed debt authorization is not unreasonable or exorbitant, that the purposes or improvements for which the obligations are issued are in the public interest and for the health, welfare and convenience or betterment of the inhabitants of the Township and that the proposed debt authorization would not materially impair the credit of the Township or substantially reduce the ability of the Township to meet its obligations or to provide essential services that are in the public interest and makes other statutory determinations, approval is granted. In addition to the aforesaid, debt in excess of the debt limit may be issued to fund certain obligations, for self-liquidating purposes and, in each fiscal year, in an amount not exceeding two-thirds of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of obligations issued for utility or

assessment purposes) plus two-thirds of the amount raised in the tax levy of the current fiscal year by the local unit for the payment of bonds or notes of any school district.

As shown in APPENDIX A, the Township has not exceeded its debt limit.

### **Local Fiscal Affairs Law (N.J.S.A. 40A:5-1 et seq.)**

The Local Fiscal Affairs, N.J.S.A. 40A:5-1 et seq., as amended and supplemented (the “Local Fiscal Affairs Law”), regulates the non-budgetary financial activities of local governments. An annual, independent audit of the local unit’s accounts for the previous year must be performed by a Registered Municipal Accountant licensed in the State of New Jersey. The audit, conforming to the Division of Local Government Services, in the New Jersey Department of Community Affairs (the “Division”) “Requirements of Audit”, must be completed within six (6) months (June 30) after the close of the Township’s fiscal year (December 31), includes recommendations for improvement of the local unit’s financial procedures. The audit report must also be filed with the Township Clerk and be available for review during regular business hours, and shall, within five (5) days thereafter, be filed with the Director of the Division (the “Director”). A synopsis of the audit report, together with all recommendations made, must be published in a local newspaper within thirty (30) days of the Township Clerk’s receipt of the audit report. Accounting methods utilized in the conduct of the audit conform to practices prescribed by the Division, which practices differ in some respects from generally accepted accounting principles in the United States.

### **Annual Financial Statement (N.J.S.A. 40A:5-12 et seq.)**

An annual financial statement (“Annual Financial Statement”) which sets forth the financial condition of a local unit for the fiscal year must be filed with the Division not later than January 26 (in the case of a county) and not later than February 10 (in the case of a municipality) after the close of the calendar fiscal year, such as the Township, or not later than August 10 of the State fiscal year for those municipalities which operate on the State fiscal year. The Annual Financial Statement is prepared either by the Chief Financial Officer or the Registered Municipal Accountant for the local unit. Such Annual Financial Statement reflects the results of operations for the year of the Current and Utility Funds. If the statement of operations results in a cash deficit, the deficit must be included in full in the succeeding year’s budget. The entire Annual Financial Statement is filed with the clerk of the local unit and is available for review during business hours.

### **Investment of Municipal Funds**

Investment of funds by municipalities is governed by N.J.S.A. 40A:5-14 et seq. Such statute requires municipalities to adopt a cash management plan pursuant to the requirements outlined by said statute. Once a municipality adopts a cash management plan it must deposit or invest its funds pursuant to such plan. N.J.S.A. 40A:5-15.1 provides for the permitted securities a municipality may invest in pursuant to its cash management plan. Some of the permitted securities are as follows: (a) obligations of, or obligations guaranteed by, the United States of America, (b) Government money market mutual funds which invest in securities permitted under the statute, (c) bonds of certain Federal Government agencies having a maturity date not greater than 397 days from the date of purchase, (d) bonds or other obligations of the particular municipality or school district of which the local unit is a part or within which the school district is located, and (e) bonds or other obligations having a maturity date not greater than 397 days from the date of purchase and approved by the Division of Investment, in the New Jersey Department of the Treasury. Municipalities are required to deposit their funds in banks satisfying certain security requirements set forth in N.J.S.A. 17:9-41 et seq. Municipalities are required to deposit their funds in interest-bearing bank accounts to the extent practicable and other permitted investments.

## **DEBT INFORMATION OF THE TOWNSHIP**

The Township must report all new authorizations of debt or changes in previously authorized debt to the Division through the filing of Supplemental and Annual Debt Statements. The Supplemental Debt Statement must be submitted to the Division before final passage of any debt authorization other than a refunding debt authorization. Before the end of the first month (January 31) of each fiscal year of the Township, the Township must file an Annual Debt Statement which is dated as of the last day of the preceding fiscal year (December 31) with the Division and with the Township Clerk. This report is made under oath and

states the authorized, issued and unissued debt of the Township as of the previous December 31. Through the Annual and Supplemental Debt Statements, the Division monitors all local borrowing. Even though the Township's authorizations are within its debt limits, the Division is able to enforce State regulations as to the amounts and purposes of local borrowings.

## **FINANCIAL MANAGEMENT**

### **Accounting and Reporting Practices**

The accounting policies of the Township conform to the accounting principles applicable to local governmental units which have been prescribed by the Division. A modified accrual basis of accounting is followed with minor exceptions. Revenues are recorded as received in cash except for certain amounts which may be due from other governmental units and which are accrued. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue only when received. Expenditures are generally recorded on the accrual basis, except that unexpended appropriations at December 31, unless canceled by the governing body, are reported as expenditures with offsetting appropriation reserves. Appropriation reserves are available, until lapsed at the close of the succeeding fiscal year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are credited to the results of operations. As is the prevailing practice among municipalities and counties in the State, the Township does not record obligations for accumulated unused vacation and sick pay.

### **Local Budget Law (N.J.S.A. 40A:4-1 et seq.)**

The foundation of the State local finance system is the annual cash basis budget. Every local unit, including the Township, must adopt an annual operating budget in the form required by the Division. Certain items of revenue and appropriation are regulated by law and the proposed operating budget cannot be finally adopted until it has been certified by the Director, or in the case of a local unit's examination of its own budget as described herein, such budget cannot be finally adopted until a local examination certificate has been approved by the Chief Financial Officer and governing body of the local unit. The Local Budget Law requires each local unit to appropriate sufficient funds for payment of current debt service and the Director, or in the case of the local examination, the local unit may review the adequacy of such appropriations. Among other restrictions, the Director or, in the case of local examination, the local unit may examine the budget with reference to all estimates of revenue and the following appropriations: (a) payment of interest and debt redemption charges, (b) deferred charges and statutory expenditures, (c) cash deficit of the preceding year, (d) reserve for uncollected taxes, and (e) other reserves and non-disbursement items. Taxes levied are a product of total appropriations, less non-tax revenues, plus a reserve predicated on the prior year's collection experience.

The Director, in reviewing the budget, has no authority over individual operating appropriations, unless a specific amount is required by law, but the Director's budgetary review functions, focusing on anticipated revenues, and serves to protect the solvency of the local unit. Local budgets, by law and regulation, must be in balance on a "cash basis", i.e., the total of anticipated revenues must equal the total of appropriation. N.J.S.A. 40A:4-22. If in any year the Township's expenditures exceed its realized revenues for that year, then such excess (deficit) must be raised in the succeeding year's budget.

In accordance with the Local Budget Law and related regulations, (i) each local unit, with a population of 10,000 persons, must adopt and annually revise a six (6) year capital program, and (ii) each local unit, with a population under 10,000 persons, must adopt (with some exceptions) and annually revise a three (3) year capital program. See "CAPITAL IMPROVEMENT PROGRAM" herein.

Municipal public utilities are supported by the revenues generated by the respective operations of the utilities, in addition to the general taxing power upon real property. For each utility, there is established a separate budget. The anticipated revenues and appropriations for each utility are set forth in the separate section of the budget. The budget is required to be balanced and to provide fully for debt service. The regulations regarding anticipation of revenues and deferral of charges apply equally to the budgets of the

utilities. Deficits or anticipated deficits in utility operations which cannot be provided for from utility surplus, if any, are required to be raised in the “current” or operating budget.

### **Local Examination of Budgets (N.J.S.A. 40A:4-78(b))**

Chapter 113 of the Laws of New Jersey of 1996 (N.J.S.A. 40A:4-78(b)) authorizes the Local Finance Board to adopt rules that permit certain municipalities to assume the responsibility, normally granted to the Director, of conducting the annual budget examination required by the Local Budget Law. Since 1997 the Local Finance Board has developed regulations that allow “eligible” and “qualifying” municipalities to locally examine their budget every two (2) of three (3) years. Under the regulations prescribed by the Local Finance Board, since the Township is a Faulkner Act or Optional Municipal Charter Law Municipality, it is never eligible for local examination of its budget. The Township adopted its 2023 budget in accordance with the procedures described under the heading entitled, “FINANCIAL MANAGEMENT – Local Budget Law (N.J.S.A. 40A: 4-1 et seq.)”.

### **State Supervision (N.J.S.A. 52:27BB-1 et seq.)**

State law authorizes State officials to supervise fiscal administration in any municipality which is in default on its obligations; which experiences severe tax collection problems for two (2) successive years; which has a deficit greater than four percent (4%) of its tax levy for two (2) successive years; which has failed to make payments due and owing to the State, county, school district or special district for two (2) consecutive years; which has an appropriation in its annual budget for the liquidation of debt which exceeds twenty-five percent (25%) of its total operating appropriations (except dedicated revenue appropriations) for the previous budget year; or which has been subject to a judicial determination of gross failure to comply with the Local Bond Law, the Local Budget Law or the Local Fiscal Affairs Law which substantially jeopardizes its fiscal integrity. State officials are authorized to continue such supervision for as long as any of the conditions exist and until the municipality operates for a fiscal year without incurring cash deficit.

### **Limitations on Expenditures (“Cap Law”) (N.J.S.A. 40A:4-45.1, et seq.)**

N.J.S.A. 40A:4-45.3 places limits on municipal tax levies and expenditures. This law is commonly known as the “Cap Law” (the “Cap Law”). The Cap Law provides that the Township shall limit any increase in its budget to 2.5% or the Cost-Of-Living Adjustment, whichever is less, of the previous year’s final appropriations, subject to certain exceptions. The Cost-Of-Living Adjustment is defined as the rate of annual percentage increase, rounded to the nearest half percent, in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services produced by the United States Department of Commerce for the year preceding the current year as announced by the Director. However, in each year in which the Cost-Of-Living Adjustment is equal to or less than 2.5%, the Township may, by ordinance, approved by a majority vote of the full membership of the governing body, provide that the final appropriations of the Township for such year be increased by a percentage rate that is greater than the Cost-Of-Living Adjustment, but not more than 3.5% over the previous year’s final appropriations. See N.J.S.A. 40A:4-45.14. In addition, N.J.S.A. 40A:4-45.15a restored “Cap” banking to the Local Budget Law. Municipalities are permitted to appropriate available “Cap Bank” in either of the next two (2) succeeding years’ final appropriations. The Township did not utilize any of its “Cap Bank” in its 2023 Budget. Along with the permitted increases for total general appropriations, there are certain items that are allowed to increase outside the “Cap”.

Additionally, P.L. 2010, c.44, effective July 13, 2010, imposes a two percent (2%) cap on the tax levy of a municipality, county, fire district or solid waste collection district, with certain exceptions and subject to a number of adjustments. The exclusions from the limit include increases required to be raised for capital expenditures, including debt service, increases in pension contributions in excess of two percent (2%), certain increases in health care costs in excess of two percent (2%), and extraordinary costs incurred by a local unit directly related to a declared emergency. The governing body of a local unit may request approval, through a public question submitted to the legal voters residing in its territory, to increase the amount to be raised by taxation, and voters may approve increases above two percent (2%) not otherwise permitted under the law by an affirmative vote of fifty percent (50%) plus one vote.

The Division of Local Government Services has advised that counties and municipalities must comply with both budget “Cap” and the tax levy limitation. Neither the tax levy limitation nor the “Cap” law, however, limits the obligation of the Township to levy *ad valorem* taxes upon all taxable property within the boundaries of the Township to pay debt service on bonds and notes, including the Notes.

### **Deferral of Current Expenses**

Supplemental appropriations made after the adoption of the budget and determination of the tax rate may be authorized by the governing body of a local unit, including the Township, but only to meet unforeseen circumstances, to protect or promote public health, safety, morals or welfare, or to provide temporary housing or public assistance prior to the next succeeding fiscal year. However, with certain exceptions described below, such appropriations must be included in full as a deferred charge in the following year’s budget. Any emergency appropriation must be declared by resolution according to the definition provided in a provision of the Local Budget Law, N.J.S.A. 40A:4-48, -49, and approved by at least two-thirds of the full membership of the governing body and shall be filed with the Director. If such emergency appropriations exceed three percent (3%) of the adopted operating budget, consent of the Director is required. N.J.S.A. 40A:4-49.

The exceptions are certain enumerated quasi-capital projects (“special emergencies”) such as (i) the repair and reconstruction of streets, roads or bridges damaged by snow, ice, frost, or floods, which may be amortized over three (3) years, and (ii) the repair and reconstruction of streets, roads, bridges or other public property damaged by flood or hurricane, where such expense was unforeseen at the time of budget adoption, the repair and reconstruction of private property damaged by flood or hurricane, tax map preparation, re-evaluation programs, revision and codification of ordinances, master plan preparations, drainage map preparation for flood control purposes, studies and planning associated with the construction and installation of sanitary sewers, authorized expenses of a consolidated commission, contractually required severance liabilities resulting from the layoff or retirement of employees and the preparation of sanitary and storm system maps, all of which projects set forth in this section (ii) may be amortized over five (5) years. N.J.S.A. 40A:4-53, -54, -55, -55.1, -55.2, -55.3. Emergency appropriations for capital projects may be financed through the adoption of a bond ordinance and amortized over the useful life of the project as described above.

### **Budget Transfers**

Budget transfers provide a degree of flexibility and afford a control mechanism for local units. Pursuant to N.J.S.A. 40A:4-58, transfers between major appropriation accounts are prohibited until the last two (2) months of the municipality’s fiscal year. Appropriation reserves may be transferred during the first three (3) months of the current fiscal year to the previous fiscal year’s budget. N.J.S.A. 40A:4-59. Both types of transfers require a two-thirds vote of the full membership of the governing body. Although sub-accounts within an appropriation account are not subject to the same year-end transfer restriction, they are subject to internal review and approval. Generally, transfers cannot be made from the down payment account, the capital improvement fund, contingent expenses or from other sources as provided in the statute.

### **Anticipation of Real Estate Taxes**

The same general principle that revenue cannot be anticipated in a budget in excess of that realized in the preceding year applies to property taxes. N.J.S.A 40A:4-29 provides limits for the anticipation of delinquent tax collections and provides that, “[t]he maximum which may be anticipated is the sum produced by the multiplication of the amount of delinquent taxes unpaid and owing to the local unit on the first day of the current fiscal year by the percentage of collection of delinquent taxes for the year immediately preceding the current fiscal year.”

In regard to current taxes, N.J.S.A. 40A:4-41(b) provides that, “[r]eceipts from the collection of taxes levied or to be levied in the municipality, or in the case of a county for general county purposes and payable in the fiscal year shall be anticipated in an amount which is not in excess of the percentage of taxes levied and payable during the next preceding fiscal year which was received in cash by the last day of the preceding fiscal year.”

This provision requires that an additional amount (the “reserve for uncollected taxes”) be added to the tax levy required to balance the budget so that when the percentage of the prior year’s tax collection is

applied to the combined total, the sum will at least equal the tax levy required to balance the budget. The reserve requirement is calculated as follows:

$$\begin{array}{rcl} \text{Total of Local, County,} & & \\ \text{and School Levies} & - \text{ Anticipated Revenues} & = \text{ Cash Required from Taxes to Support} \\ & & \text{Local Municipal Budget and Other Taxes} \\ \\ \hline \text{Cash Required from Taxes to Support Local Municipal Budget and Other Taxes} & = & \text{Amount to be} \\ \text{Prior Year's Percentage of Current Tax Collection (or Lesser \%)} & & \text{Raised by} \\ & & \text{Taxation} \end{array}$$

### **Anticipation of Miscellaneous Revenues**

N.J.S.A 40A:-26 provides that, “[n]o miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit.”

No budget or amendment thereof shall be adopted unless the Director shall have previously certified his approval of such anticipated revenues except that categorical grants-in-aid contracts may be included for their face amount with an offsetting appropriation. The fiscal years of such grants rarely coincide with a municipality’s calendar fiscal year. Grant revenues are fully realized in the year in which they are budgeted by the establishment of accounts receivable and offsetting reserves.

### **CAPITAL IMPROVEMENT PROGRAM**

In accordance with the Local Budget Law, the Township must adopt and may from time to time amend rules and regulations for capital budgets, which rules and regulations must require a statement of capital undertakings underway or projected for a period not greater than over the next ensuing six (6) years as a general improvement program. The Capital Budget and Capital Improvement Program of a local unit must be adopted as part of the annual budget pursuant to N.J.A.C. 5:30-4. The Capital Budget does not by itself confer any authorization to raise or expend funds, rather it is a document used for planning. Specific authorization to expend funds for such purposes must be granted, by a separate bond ordinance, by inclusion of a line item in the Capital Improvement Section of the budget, by an ordinance taking money from the Capital Improvement Fund, or other lawful means.

### **COVID-19 RISK FACTORS**

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, President Trump declared a national emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. Governor Phil Murphy (the "Governor") of the State of New Jersey declared a state of emergency and a public health emergency on March 9, 2020 due to the outbreak of COVID-19, which had spread throughout the State and to all counties within the State. The Governor also instituted mandatory measures via various executive orders to contain the spread of the virus. These measures, which alter the behavior of businesses and people, have had and may continue to have impacts on regional, state and local economies. The public health emergency was terminated on June 4, 2021, but the state of emergency remained in effect via Executive Order 244. However, on January 11, 2022, the Governor restated the state of emergency and reinstated a public health emergency via Executive Order 280, effective immediately, in order to ensure that the State was able to respond to the threat of COVID-19 and the Omicron variant. The public health emergency declaration, which allows existing orders to continue in effect, was set to expire thirty (30) days from January 11, 2022, unless renewed. On February 10, 2022, the Governor signed Executive Order 288 extending the public health emergency declared on January 11, 2022; however, the public health emergency was terminated on March 7, 2022 via Executive Order 292, while the existing state of emergency remains in effect. See

<https://covid19.nj.gov> for further detail regarding the impact of COVID-19 on the State and the Governor's various executive orders

In order to provide additional means for local governmental units to address the financial impact of the COVID-19 outbreak, the Governor signed into law P.L. 2020, c. 74 ("Chapter 74") on August 31, 2020. Chapter 74, which took effect immediately, adds two new purposes to the list of special emergency appropriations which may be raised by municipalities or counties over a five year period (either through the issuance of special emergency notes or raised internally without borrowing). Specifically, Chapter 74 authorizes special emergency appropriations for: (1) direct COVID-19 response expenses; and (2) deficits in prior year's operations attributable to COVID-19 (the beginning of the five year repayment schedule is delayed by one year for these new purposes). Upon approval by the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, in cases of significant fiscal distress, the five year period may be extended to up to ten years. In addition, the statute permits school districts and public authorities to issue debt with a maximum five year maturity schedule for direct COVID-19 expenses. Chapter 74 provides for State supervision of all local government unit borrowings related to the COVID-19 pandemic. The statute also grants the Director the authority to modify municipal budgeting rules concerning anticipated revenues in order to lessen the impact of revenue reductions due to COVID-19.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by President Biden on March 11, 2021, comprises \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Plan includes various forms of financial relief, including an up to \$1,400 increase in direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Township.

The Township received \$7,917,840 in Federal Aid under the Plan, \$3,958,920 of which amount was received by the Township in 2021 and \$3,958,920 was received in 2022.

## **TAX ASSESSMENT AND COLLECTION**

### **Assessment and Collection of Taxes**

Property valuations (assessments) are determined on true values as arrived at by the cost approach, market data approach and capitalization of net income (where applicable). Current assessments are the result of maintaining new assessments on a "like" basis with established comparable properties for newly assessed or purchased properties resulting in a decline of the assessment ratio to true value to its present level. This method assures equitable treatment to like property owners. Because of the escalation of property resale values, annual adjustments could not keep pace with the rising values.

Upon the filing of certified adopted budgets by the Township, the local school district and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection of taxes to fund the budgets. The statutory provisions for the assessment of property, the levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4-1 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special taxing district.

For calendar year municipalities, tax bills are sent in June of the current fiscal year. Taxes are payable in four quarterly installments on February 1, May 1, August 1 and November 1. The August and November tax bills are determined as the full tax levied for municipal, county and school purposes for the current municipal fiscal year, less the amount charged as the February and May installments for municipal, county and school purposes in the current fiscal year. The amounts due for the February and May installments are determined as by the municipal governing body as either one-quarter or one-half of the full tax levied for municipal, county or school purposes for the preceding fiscal year.



Fiscal year municipalities follow the same general rationale for the billing of property taxes, however billing is processed semi-annually. The provisions of P.L. 1994, C. 72 changed the procedures for State fiscal year billing originally established in P.L. 1991, C. 75. Chapter 72 moves the billing calculation back on a calendar year basis, which permits tax levies to be proved more readily than before.

The formula used to calculate tax bills under P.L. 1994, C. 72 are as follows:

The third and fourth installments, for municipal purposes, would equal one-half of an estimated annual tax levy, plus the balance of the full tax levied during the current tax year for school, county and special district purposes. The balance of the full tax for non-municipal purposes is calculated by subtracting amounts due on a preliminary basis from the full tax requirement for the tax year. The first and second installments, for municipal purposes, will be calculated on a percentage of the previous years billing necessary to bill the amount required to collect the full tax levy, plus the non-municipal portion, which represents the amount payable to each taxing district for the period of January 1 through June 30.

Tax installments not paid on or before the due date are subject to interest penalties of eight percent (8%) on the first \$1,500 of the delinquency and, then eighteen percent (18%) per annum on any amount in excess of \$1,500. A penalty of up to six percent (6%) of the delinquency in excess of \$10,000 may be imposed on a taxpayer who fails to pay that delinquency prior to the end of the tax year in which the taxes become delinquent. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with State Statutes. Tax title liens are periodically assigned to the Township Attorney (as defined herein) for in rem foreclosures in order to acquire title to these properties.

The provisions of Chapter 99 of the Laws of New Jersey of 1997 allow a municipality to sell its total property tax levy to the highest bidder either by public sale with sealed bids or by public auction. The purchaser shall pay the total property tax levy bid amount in quarterly installments or in one annual installment. Property taxes will continue to be collected by the municipal tax collector and the purchaser will receive as a credit against his payment obligation the amount of taxes paid to the tax collector. The purchaser is required to secure his payment obligation to the municipality by an irrevocable letter of credit or surety bond. The purchaser is entitled to receive, all delinquent taxes and other municipal charges owing, due and payable upon collection by the tax collector. The statute sets forth bidding procedures, minimum bidding terms and requires the review and approval of the sale by the Division.

## **Tax Appeals**

New Jersey Statutes provide a taxpayer with remedial procedures for appealing an assessed valuation that the taxpayer deems excessive. The taxpayer has a right to file a petition on or before the 1<sup>st</sup> day of April of the current tax year for its review or the 1<sup>st</sup> day of May for municipalities that have conducted revaluations. The County Board of Taxation and the Tax Court of New Jersey have the authority after a hearing to increase, decrease or reject the appeal petition. Adjustments by the County Board of Taxation are usually concluded within the current tax year and reductions are shown as cancelled or remitted taxes for that year. If the taxpayer believes the decision of the County Board of Taxation to be incorrect, appeal of the decision may be made to the Tax Court of New Jersey. State tax court appeals tend to take several years to conclude by settlement or trial and any losses in tax collection from prior years, after an unsuccessful trial or by settlement, are charged directly to operations.

## **TAX EXEMPTION**

### **Federal Income Tax Treatment**

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements which must be met at the time of, and on a continuing basis subsequent to, the issuance of the Notes in order for the interest on the Notes to be and remain excluded from gross income for Federal income tax purposes under Section 103 of the Code. Noncompliance with such requirements could cause the interest on the Notes to be included in gross income for Federal income tax purposes retroactive to the date of issuance of the Notes. The Township will represent in its tax certificate that it reasonably expects and intends to comply and will comply, to the extent permitted by law, with such requirements.

In the opinion of Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey, Bond Counsel to the Township (“Bond Counsel”), under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance by the Township with the requirements of the Code and the representations and covenants made by the Township in the tax certificate described above, interest on the Notes is not includable in gross income for Federal income tax purposes pursuant to Section 103 of the Code and will not be treated as a preference item under Section 57 of the Code for purposes of computing the Federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the Federal alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022.

The Notes do not constitute “qualified tax-exempt obligations” as defined in and for the purposes of Section 265(b)(3) of the Code.

### **Additional Federal Income Tax Consequences Relating to the Notes**

Prospective purchasers of the Notes should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the Notes, may have additional Federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty insurance companies, foreign corporations and certain S corporations. Prospective purchasers of the Notes should also consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

### **State Taxation**

Bond Counsel is also of the opinion that interest on the Notes, and any gain on the sale thereof, are not includable in gross income under the existing New Jersey Gross Income Tax Act, 1976 N.J. Laws c. 47, as amended. Except as provided above, no opinion is expressed with respect to other State and local tax consequences of owning the Notes.

### **Prospective Tax Law Changes**

Federal, state or local legislation, administrative pronouncements or court decisions may affect the federal and State tax-exempt status of interest on the Notes, gain from the sale or other disposition of the Notes, the market value of the Notes, or the marketability of the Notes. The effect of any legislation, administrative pronouncements or court decisions cannot be predicted. Prospective purchasers of the Notes should consult their own tax advisors regarding such matters.

### **Other Tax Consequences**

Except as described above, Bond Counsel expresses no opinion with respect to any Federal, state, local or foreign tax consequences of ownership of the Notes. Bond Counsel renders its opinion under existing statutes, regulations, rulings and court decisions as of the date of issuance of the Notes and assumes no obligation to update its opinion after such date of issuance to reflect any future action, fact, circumstance, change in law or interpretation, or otherwise. Bond Counsel expresses no opinion as to the effect, if any, on the tax status of the interest on the Notes paid or to be paid as a result of any action hereafter taken or not taken in reliance upon an opinion of other counsel.

See APPENDIX C for the complete text of the proposed form of Bond Counsel’s legal opinion with respect to the Notes.

## LEGALITY FOR INVESTMENT

The State and all public officers, municipalities, counties, political subdivisions and public bodies, and agencies thereof, all banks, bankers, trust companies, savings and loan associations, savings banks and institutional building and loan associations, investment companies, and other persons carrying on banking business, all insurance companies, and all executors, administrators, guardians, trustees, and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any obligations of the Township, including the Notes, and such Notes are authorized security for any and all public deposits.

## RISK TO HOLDERS OF NOTES

It is understood that the rights of the holders of the Notes, and the enforceability thereof, may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

### **Municipal Bankruptcy**

**THE TOWNSHIP HAS NOT AUTHORIZED THE FILING OF A BANKRUPTCY PETITION. THIS REFERENCE TO THE BANKRUPTCY CODE OR THE STATE STATUTE SHOULD NOT CREATE ANY IMPLICATION THAT THE TOWNSHIP EXPECTS TO UTILIZE THE BENEFITS OF ITS PROVISIONS, OR THAT IF UTILIZED, SUCH ACTION WOULD BE APPROVED BY THE LOCAL FINANCE BOARD, OR THAT ANY PROPOSED PLAN WOULD INCLUDE A DILUTION OF THE SOURCE OF PAYMENT OF AND SECURITY FOR THE NOTES, OR THAT THE BANKRUPTCY CODE COULD NOT BE AMENDED AFTER THE DATE HEREOF.**

The undertakings of the Township should be considered with reference to 11 U.S.C. §101 *et seq.*, as amended and supplemented (the "Bankruptcy Code"), and other bankruptcy laws affecting creditors' rights and municipalities in general. The Bankruptcy Code permits the State or any political subdivision, public agency, or instrumentality that is insolvent or unable to meet its debts to commence a voluntary bankruptcy case by filing a petition with a bankruptcy court for the purpose of effecting a plan to adjust its debts; directs such a petitioner to file with the court a list of petitioner's creditors; provides that a petition filed under this chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; grants priority to certain debts owed, and provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds in amount and more than one half in number of the allowed claims of at least one (1) impaired class. The Bankruptcy Code specifically does not limit or impair the power of a state to control by legislation or otherwise, the procedures that a municipality must follow in order to take advantage of the provisions of the Bankruptcy Code.

The Bankruptcy Code provides that special revenue acquired by the debtor after the commencement of the case shall remain subject to any lien resulting from any security agreement entered into by such debtor before the commencement of such bankruptcy case. However, special revenues acquired by the debtor after commencement of the case shall continue to be available to pay debt service secured by those revenues. Furthermore, the Bankruptcy Code provides that a transfer of property of a debtor to or for the benefit of any holder of a bond or note, on account of such bond or note, may be avoided pursuant to certain preferential transfer provisions set forth in such code.

Reference should also be made to N.J.S.A. 52:27-40 *et seq.* which provides that a local unit, including the Township, has the power to file a petition in bankruptcy with any United States Court or court in bankruptcy under the provisions of the Bankruptcy Code, for the purpose of effecting a plan of readjustment of its debts or for the composition of its debts; provided, however, the approval of the Local Finance Board, as successor to the Municipal Finance Commission, must be obtained.

### **Remedies of Holders of Bonds or Notes (N.J.S.A. 52:27-1 *et seq.*)**

If the Township defaults for over sixty (60) days in the payment of the principal of or interest on any bonds or notes outstanding, any holder of such bonds or notes may bring an action against the Township

in the Superior Court of New Jersey (the "Superior Court") to obtain a judgment that the Township is so in default. Once a judgment is entered by the Superior Court to the effect that the Township is in default, the Municipal Finance Commission (the "Commission") would become operative in the Township. The Commission was created in 1931 to assist in the financial rehabilitation of municipalities which were in default in their obligations. The powers and duties of the Commission are exercised within the Division, which constitutes the Commission.

The Commission exercises direct supervision over the finances and accounts of any municipality which has been adjudged by the Superior Court to be in default of its obligations. The Commission continues in force in such municipalities until all bonds, notes or other indebtedness of the municipality which have fallen due, and all bonds or notes which will fall due within one (1) year (except tax anticipation or revenue anticipation notes), and the interest thereon, have been paid, funded or refunded, or the payment thereof has been adequately provided for by a cash reserve, at which time the Commission's authority over such municipality ceases. The Commission is authorized to supervise tax collections and assessments, to approve the funding or refunding of bonds, notes or other indebtedness of the municipality which the Commission has found to be outstanding and unpaid, and to approve the adjustment or composition of claims of creditors and the readjustment of debts under the Bankruptcy Code.

### **CERTIFICATES OF THE TOWNSHIP**

Upon the delivery of the Notes, the original purchaser of the Notes shall receive a certificate, in form satisfactory to Bond Counsel and signed by officials of the Township, stating to the best knowledge of said officials, that this Official Statement as of its date did not contain any untrue statement of a material fact, or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading; and stating, to the best knowledge of said officials, that there has been no material adverse change in the condition, financial or otherwise, of the Township from that set forth in or contemplated by this Official Statement. In addition, the original purchaser of the Notes shall also receive a certificate in form satisfactory to Bond Counsel evidencing the proper execution and delivery of the Notes and receipt of payment therefor, and a certificate dated as of the date of the delivery of the Notes, and signed by the officers who signed the Notes, stating that no litigation is then pending or, to the knowledge of such officers, threatened to restrain or enjoin the issuance or delivery of the Notes or the levy or collection of taxes to pay the principal of the Notes, or the interest thereon, or questioning the validity of the statutes or the proceedings under which the Notes are issued, and that neither the corporate existence or boundaries of the Township, nor the title of any of the said officers to their respective offices, is being contested.

### **APPROVAL OF LEGAL PROCEEDINGS**

All legal matters incident to the authorization, issuance, sale, execution, and delivery of the Notes are subject to the approval of Bond Counsel, whose approving legal opinion will be delivered with the Notes substantially in the form set forth as APPENDIX C hereto. Certain legal matters with respect to the Notes will be passed on for the Township by its Township Attorney, Starkey, Kelly, Kenneally, Cunningham & Turnbach, Toms River, New Jersey (the "Township Attorney").

### **ADDITIONAL INFORMATION**

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to: Maureen Laffey-Berg, Chief Financial Officer, Township of Brick, 401 Chambers Bridge Road, Brick, New Jersey 08723, (732) 262-4789, or e-mail: [mlaffey@twp.brick.nj.us](mailto:mlaffey@twp.brick.nj.us); Everett M. Johnson, Esq., Wilentz, Goldman & Spitzer, P.A., Woodbridge, New Jersey, (732) 855-6149, or e-mail: [ejohnson@wilentz.com](mailto:ejohnson@wilentz.com); or James Fagan, NW Financial Group, LLC, Hoboken, New Jersey, (201) 526-2733, or e-mail: [jfagan@nwfinancial.com](mailto:jfagan@nwfinancial.com).

## **MUNICIPAL ADVISOR**

NW Financial Group, LLC, Hoboken, New Jersey has served as municipal advisor to the Township with respect to the issuance of the Notes (the "Municipal Advisor"). The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement and the appendices hereto. The Municipal Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

## **LITIGATION**

To the knowledge of the Township Attorney, after due inquiry, there is no litigation of any nature now pending or threatened, restraining or enjoining the issuance, execution or the delivery of the Notes offered for sale or the levy and collection of any taxes to pay the principal of or the interest on the Notes, or in any manner questioning the authority or the proceedings for the issuance of the Notes, or for the levy or collection of taxes to pay the principal of and interest on the Notes, or any action contesting the corporate existence or the boundaries of the Township or the title of any of its present officers of the Township. Further, to the knowledge of the Township Attorney, there is no litigation presently pending or threatened against the Township that, in the opinion of the Township Attorney, would have a material adverse impact on the financial condition of the Township if adversely decided. The Township Attorney will provide an opinion or a certificate to such effect upon the closing of the Notes.

## **COMPLIANCE WITH SECONDARY MARKET DISCLOSURE REQUIREMENTS**

The Township has covenanted for the benefit of the holders of the Notes to provide notices of the occurrence of certain enumerated material events with respect to the Notes (the "Notices"), as set forth in Section (b)(5)(i)(C) of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented. The Notices will be filed by the Township or NW Financial Group, LLC, the duly designated dissemination agent of the Township, with the Municipal Securities Rulemaking Board (the "MSRB"). The specific nature of the Notices will be detailed in a certificate (the "Disclosure Certificate") to be executed on behalf of the Township by its Chief Financial Officer, in the form appearing in APPENDIX D attached hereto, such Disclosure Certificate to be delivered concurrently with the delivery of the Notes.

During the past five years, the Township has complied in all material respects with its existing continuing disclosure agreements in accordance with the Rule, except as set forth below.

The Township's long term bond rating was downgraded by Moody's Investors Service from Aa2 to Aa3 on January 30, 2023. Notification of this event was not filed on the MSRB's Electronic Municipal Market Access (EMMA) website until May 16, 2023.

The Township has subsequently filed all reasonably required notices of late filing or failure to file, as necessary, as of May 16, 2023. The Township is now in compliance with its existing continuing disclosure agreements and will implement procedures to remedy the oversight. These procedures include training personnel on the requirements of continuing disclosure agreements and posting of notices, annual financial and operating information on EMMA.

## **PREPARATION OF OFFICIAL STATEMENT**

Bond Counsel has participated in the preparation and review of this Official Statement, but has not participated in the collection of financial, statistical or demographic information contained in this Official Statement, nor has Bond Counsel verified the accuracy, completeness, or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto, but takes responsibility for the information contained under the heading entitled "TAX MATTERS" and the information provided in APPENDIX C.

The Municipal Advisor has participated in the preparation and review of this Official Statement, but has not verified the accuracy, completeness, or fairness hereof, and, accordingly, expresses no opinion or other assurance with respect hereto, but takes responsibility for the information contained under the headings entitled "MUNICIPAL ADVISOR" and "COMPLIANCE WITH SECONDARY MARKET DISCLOSURE REQUIREMENTS" (as to the second paragraph only), and expresses no opinion or assurance other than that which is specifically set forth therein with respect thereto.

Fallon & Company LLP, Hazlet, New Jersey, the Auditor to the Township, has not participated in the preparation of the information contained in this Official Statement, nor verified the accuracy, completeness, or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto, but takes responsibility for the financial statements described below under the heading entitled "FINANCIAL STATEMENTS" and contained in APPENDIX B hereto.

The Township Attorney has not participated in the preparation of the information contained in this Official Statement, nor has he verified the accuracy, completeness, or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto, but has reviewed the section under the caption entitled "LITIGATION" and expresses no opinion or assurance other than that which is specifically set forth therein with respect thereto.

All other information has been obtained from sources which the Township considers to be reliable but it makes no warranty, guarantee or other representation with respect to the accuracy and completeness of such information.

#### **RATING**

Moody's Investors Service, Inc. (the "Rating Agency") has assigned a short-term rating of "MIG 1" to the Notes.

An explanation of the significance of the rating on the Notes may be obtained from the Rating Agency. Such rating reflect only the views of the Rating Agency, and there is no assurance that the rating will continue for any period of time or that they will not be revised or withdrawn entirely, if, in the judgment of the Rating Agency, circumstances so warrant. Any revision or withdrawal of the rating may have an adverse effect on the market price of the Notes. Except as set forth in the Disclosure Certificate, the Township has not agreed to take any action with respect to any proposed rating changes or to bring the rating changes, if any, to the attention of the owners of the Notes.

#### **UNDERWRITING**

The Notes have been purchased from the Township at a public sale by TD Securities (USA) LLC, New York, New York (the "Underwriter") at a price of \$24,037,704.69. The purchase price of the Notes reflects the par amount of Notes equal to \$23,732,739, plus a bid premium of \$304,965.69.

The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing the Notes into investment trusts) at a yield higher than the public offering yield stated on the front cover page hereof.

#### **FINANCIAL STATEMENTS**

The financial statements of the Township as of and for the year ended December 31, 2022, together with the Notes to the Financial Statements for the year then ended (the "Financial Statements"), are presented in APPENDIX B to this Official Statement. The Financial Statements referred to above have been audited by Fallon & Company LLP, Hazlet, New Jersey, an independent auditor, as stated in its Independent Auditor's Report appearing in APPENDIX B hereto.

**MISCELLANEOUS**

All quotations from summaries and explanations of the provisions of the laws of the State herein do not purport to be complete and are qualified in their entirety by reference to the official compilation thereof.

This Official Statement is not to be construed as a contract or an agreement between the Township and any purchasers or holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Notes made hereunder shall, under any circumstances, create any implication that there have been no changes in the affairs of the Township, the State or any of their agencies or authorities, since the date hereof.

This Official Statement has been duly executed and delivered on behalf of the Township by the Chief Financial Officer.

**TOWNSHIP OF BRICK,  
IN THE COUNTY OF OCEAN,  
STATE OF NEW JERSEY**

***/s/ Maureen Laffey-Berg*** \_\_\_\_\_  
**MAUREEN LAFFEY-BERG,**  
**Chief Financial Officer**

DATED: June 1, 2023

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**APPENDIX A**

**CERTAIN FINANCIAL AND DEMOGRAPHIC INFORMATION  
CONCERNING THE TOWNSHIP OF BRICK**

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## **THE TOWNSHIP**

### **General**

The Township is a municipal corporation that was incorporated in 1850. The Township covers a land area of 26.4 square miles in the northeastern section of the County of Ocean in the east central area of the State of New Jersey (the "State") along the Atlantic Ocean. The Township is situated approximately 65 miles south of New York City and about 60 miles east of the Camden-Philadelphia metropolitan area. It is readily accessible from both metropolitan areas, and the Garden State Parkway links it directly with many points in the Northern New Jersey-New York Area. The Township shares in the marine and outdoor oriented activities present along New Jersey's Atlantic Coast.

### **Background**

Brick Township has evolved over the course of its history into one of New Jersey's most thriving, successful communities. The history of the Township is comprised of four developmental eras. Each era has its own unique characteristics.

The first era was that of the Native American Lenni Lenape Indians. Their existence in the Township was based on subsistence agriculture, fishing, hunting and gathering.

It is believed that the Europeans first visited the area as early as the 1660s and settled in 1742, displacing the Indians from the land. Their arrival heralded the opening of the European Settlement Era of the Township's history. Settlement grew as people were attracted to the area to take advantage of local timber, iron deposits and other natural resources.

The next era was the Expansion Era. Beginning with municipal incorporation in May 1850, the Township derived its name from iron magnate Joseph W. Brick. At this time the Township shifted its emphasis from a more iron production community to agriculture, particularly cranberry and blueberry cultivation, and to the sea.

The opening of the Garden State Parkway in the 1950s marked the beginning of the Modern Era, and set off a tremendous period of growth and evolution that is still continuing today. During this time, the population of the Township exploded from slightly over 4,000 in 1950 to over 76,000 in 2000. The Township became both a suburban community and summer resort. In the mid-1960s a change in government occurred as the committee form was replaced by a mayor and seven member council form of government. A police department was phased in during the early 1970s.

Today, the Township looks to the future. With the Township nearly fully developed, emphasis now shifts to refining that development. The Township now seeks to improve the already excellent quality of life of its residents even more.

### **Governmental Structure**

The Township operates under a Mayor-Council form of government. The Mayor is elected for a four-year term without limitation as to the number of terms. The Township Council consists of seven persons, elected biennially, for staggered four-year terms.

The Mayor is the chief executive and administrative officer in the Township and, as such, is responsible for administering local laws and policy development. The specific powers of the Mayor include various appointments, preparation of the Township's budget, and approval or veto (which may be overridden by a 2/3 vote of the Township Council) of the ordinances adopted by the Township Council. The Mayor appoints, with the advice and consent of the Township Council, the Business Administrator, the Township Attorney, and the Directors of the Departments of Public Safety, Engineering and Public Works. The Mayor, John Ducey, took office in January, 2014, for a term that expired on December 31, 2017. He is now into his 3<sup>rd</sup> term as Mayor of Brick which term will expire on December 31, 2025.

All legislative power of the Township is exercised by the Township Council, including final adoption of spending legislation such as budgets and bond authorizations. In addition to its legislative powers, the Township Council may also conduct such investigations as it deems appropriate. The members of the Township Council, the dates at which their terms expire and the dates from which their term commenced are as follows:

<b>Name</b>	<b>Served Since</b>	<b>Term Expires</b>
Heather deJong - President	01/01/14	12/31/25
Andrea Zapcic - Vice Pres.	01/01/16	12/31/23
Perry Albanese	01/01/22	12/31/25
Derrick T. Ambrosino	10/11/22	12/31/23
Vince Minichino	01/01/20	12/31/23
Marianna Pontoriero	01/01/14	12/31/25
Melissa Travers	03/14/23	12/31/23

### **Principal Governmental Services**

There are six departments within the municipal government which include: Administration, Law, Finance, Public Safety, Public Works and Engineering. Principal services provided by the municipal government include police protection, street maintenance and cleaning, and parks and recreation. Fire protection is provided through special fire districts supported by a separate tax levy.

## **ECONOMIC AND DEMOGRAPHIC CHARACTERISTICS**

### **Trend of Employment and Unemployment**

	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployment Rate</u>
<u>Township of Brick</u>				
2022	41,921	40,499	1,422	3.4
2021	39,710	38,507	1,203	3.0
2020	38,884	36,226	2,658	6.8
2019	39,341	38,175	1,166	3.0
2018	38,900	37,000	1,900	4.9
2017	40,300	38,400	1,900	4.6
2016	38,800	36,900	1,900	4.9
2015	39,900	37,700	2,800	5.7

	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployment Rate</u>
<u>County of Ocean</u>				
2022	286,907	273,854	13,053	4.5
2021	225,604	224,951	11,615	2.9
2020	281,663	268,725	12,938	4.6
2019	273,690	264,112	9,578	3.5
2018	267,500	253,500	14,000	5.2
2017	267,800	253,300	14,500	5.4
2016	264,705	250,697	14,008	5.3
2015	267,200	252,100	15,100	5.7
<u>State of New Jersey</u>				
2022	4,610,851	4,403,541	207,310	4.5
2021	4,534,778	4,377,687	157,091	3.5
2020	4,582,170	4,390,588	191,582	4.2
2019	4,557,721	4,407,966	149,755	3.2
2018	4,444,300	4,265,000	179,300	4.0
2017	4,506,600	4,297,500	209,100	4.6
2016	4,514,400	4,308,600	205,800	4.6
2015	4,527,300	4,269,243	258,056	5.7

Source: State of N.J., Department of Labor, Division of Labor Market and Demographic Research.

### **Largest Employers**

The following represent some of the largest employers in the Township with approximate employment as of December 31, 2022:

Ocean University Medical Center	1770+ employees
Brick Township Board of Education	1546+ employees
Township of Brick	417 employees
Walmart Supercenter	350 employees
Costco	260 employees

### **Population**

	<u>Brick Township</u>	<u>Ocean County</u>	<u>State of New Jersey</u>
2022	74,903	648,998	9,261,699
2020	76,100	602,018	8,885,000
2018	75,667	601,651	8,882,190
2016	75,516	592,497	8,944,469
2010	75,072	576,567	8,791,894
2000	76,119	510,916	8,424,354
1990	66,473	433,203	7,905,880
1980	53,629	346,038	7,364,823

Source: N.J. Department of Labor and Industry, Division of Labor Market and Demographic Research-Local Area Unemployment Statistics.

Much of the population growth in the Township was the result of several factors: the influx of year-round occupancy; the diversion of growth to areas outside the protected area of the State known as the Pinelands; the influx of senior citizen housing projects; the availability of vacant land zoned and suitable for housing; and the continued strength of the resort economy.

Significant changes have occurred in the Township's population composition, according to the 2020 U.S. Census. The population aged 65 years and older has increased significantly since 2010 and now comprises approximately 20.0% of the population, up from 17.3% in 2010, 15% in 1980 and 10% in 1970. Accordingly, the population aged 24 and under decreased from 49.5% of the total population in 1970 to 38% in 1980, 31.9% in 1990 and 19.8% in 2020.

Population density in the Township has increased. In 1970, there were 1,328 persons per square mile. In 1980, the population density was 2,031 persons per square mile; in 1990 the figure had increased to 2,518 persons per square mile; in 2000 the figure increased to 2,960 persons per square mile; in 2010 there was a slight decrease to 2,919 per square mile. As of 2020, there was again a slight increase to 2,971.

**Tourism**

As noted, the Township has traditionally been a very popular resort community. However, there has been an increasing trend for former summer residents to convert their homes to year-round residences. 1990 Census figures show 28,843 housing units in the Township, of which 24,965 were residences occupied year-round. According to the 1980 U.S. Census, there were 22,025 housing units, of which 20,753 were occupied year-round. As of the most recent Census, figures show 30,221 residences occupied year-round. One indication of the importance of the recreational aspects of the Township is that according to land use statistics for 1964, 27 acres were used for marine purposes, compared to 117 acres in 1980. Overall recreational area, as of December 31, 2000, totaled approximately 3,337 acres.

**Construction and Improvements**

Application must be made to the Township's Planning Board for approval of minor subdivisions, major subdivisions and site plans for commercial or apartment/condominium projects. For large developments, preliminary approval is necessary for the concept, followed by final approval before construction begins. The following table shows the minor (3 lots or less) and major subdivisions approved for construction for commercial or apartment/condominium projects. Also shown are all residential building permits granted for the years shown:

	<u>Minor and Major Subdivisions</u>	<u>Residential Building Permits</u>
2022	10	3,543
2021	10	3,428
2020	11	3,178
2019	8	3,722
2018	7	4,017
2017	5	4,359
2016	6	5,035
2015	5	4,500

Source: Township Land Use and Building Departments.

## Housing Stock

According to data prepared by the Office of the Tax Assessor, as of 2023, there are 30,739 Residential Properties of which 3,529 are condominiums and an additional 2,398 are apartments. In 2022, there are 30,663 Residential properties of which 4,051 are condominiums and an additional 2,398 are apartments. In 2021, there were 30,588 Residential Properties of which 4,010 were condominiums and an additional 2,398 were apartments. In 2020, there were 30,538 Residential properties of which 3,993 were condominiums and an additional 2,398 were apartments. In 2019, there were 30,503 Residential properties of which 3,985 were condominiums and an additional 2,398 were apartments. In 2018, there were 30,497 Residential properties of which 4,072 were condominiums and an additional 2,398 were apartments. In 2016, there were 30,430 single family dwellings, 4,242 were condominiums and 2,148 apartments for a total of 36,820 units, as compared to 2015 there were 30,495 single family dwellings, 4,022 condominiums and 2104 apartments for a total of 36,621 units, as compared to 2014 there were 30,535 single family dwellings, 4,205 condominiums and 2,104 apartments for a total of 36,845 units, as compared to 2013 there were 30,646 single family dwellings, 4206 condominiums and 2,104 apartments for a total of 36,956 units compared to 2012 when there were 30,649 single family dwellings, 4,205 condominiums and 2,104 apartments for a total of \$36,958 units.

## REVENUES

### Property Taxes

The following table details the general tax rates for the Township for 2015 through 2022.

<u>Year</u>	<u>Assessed Valuation</u>	<u>Total Tax Rate per \$100</u>	<u>Municipal</u>	<u>Open Space</u>	<u>County</u>	<u>School</u>	<u>Equalized Valuation</u>
2022	10,515,320,822	2.376	0.766	0.01	0.462	1.138	12,810,743,553
2021	10,468,270,338	2.326	0.747	0.01	0.448	1.121	11,859,339,670
2020	10,390,198,125	2.296	0.732	0.01	0.444	1.110	11,416,987,423
2019	10,348,130,219	2.258	0.713	0.01	0.442	1.093	11,212,848,645
2018	10,314,680,458	2.205	0.704	0.01	0.428	1.063	10,711,683,019
2017	10,282,661,460	2.145	0.685	0.01	0.431	1.019	10,689,515,762
2016	10,264,180,212	2.134	0.690	0.01	0.426	1.008	10,541,396,166
2015	10,258,014,969	2.078	0.681	0.01	0.355	0.966	10,431,172,431

Sources: Township Audited Financial Statements, Township Tax Assessor and County Abstract of Ratables.

The following table details assessed valuations for real property of the Township, by class, for fiscal years 2015 through 2023.

<b>Assessed Valuations (\$ in thousands)</b>							
	<u>Residential</u>	<u>Apartment</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Vacant</u>	<u>Farm</u>	<u>Total</u>
2023	9,261,795	131,552	988,006	22,148	148,646	0	10,552,149
2022	9,207,176	131,553	994,897	22,148	149,324	0	10,505,100
2021	9,076,451	132,059	991,443	22,148	159,969	0	10,457,078
2020	9,076,451	132,059	989,733	22,143	164,690	0	10,385,085
2019	9,027,509	132,059	988,379	21,962	167,944	0	10,337,857
2018	8,977,810	132,059	998,096	21,052	176,610	0	10,305,730
2017	8,968,898	115,832	1,000,883	21,052	165,068	0	10,271,736
2016	8,934,074	115,833	998,724	20,889	186,229	0	10,266,889
2015	8,925,065	116,385	1,005,815	20,464	178,891	0	10,246,621

The following table lists the ten largest taxpayers in the Township in fiscal year 2023 and the assessed value and tax levy for each.

#### **Ten Largest Taxpayers**

	<u>Nature of Business</u>	<u>2023 Assessment</u>	<u>2022 Taxes</u>
<u>JSM@BRICK LLC</u>	Retail	\$65,598,100.00	\$1,594,351.40
Federal Realty Investment Trust	Retail	\$60,000,000.00	\$1,572,863.79
Bricktown VF LLC	Retail	\$37,126,500.00	\$ 899,575.10
Waterside Holdings Manager LLC	Apartments	\$28,000,000.00	\$ 678,440.00
Kentwood Construction Co.	Apartments	\$25,500,000.00	\$ 622,455.00
Centro NP Laurel Sq. Owner LLC	Retail	\$21,000,000.00	\$ 512,610.00
Bay Harbor Plaza LLC	Retail	\$20,000,000.00	\$ 484,600.00
CT07135 Brick Blvd LLC	Apartments	\$18,353,000.00	\$ 444,693.19
Dayton/Hudson/Mervyn	Retail	\$15,950,000.00	\$ 387,680.00
Paramount Plaza at Brick LLC	Retail	\$14,925,000.00	\$ 361,632.75

Source: Township Tax Assessor.

The tax assessor determines the taxable valuations of real property in the Township as of October 1 of the next preceding fiscal year and completes preparation of the assessment list on January 10 of the current fiscal year, on which date the tax assessor files such assessment list with the County Board of Taxation.

#### **County and School Taxes**

The Township must include in its tax levy real estate taxes included in the budgets for the Board of Education and the County. The Board of Education and the County each receives 100% of its respective tax levy, which is paid to it by the Township, regardless of whether the Township is able to collect the full levy. Thus, the Township bears the effect of delinquencies in tax payments as to the school and County portions, as well as the municipal portion of the tax levy.



On April 1 in each fiscal year, the Township holds a tax sale for all delinquent accounts from the prior year. The Township will allow any of these liens to be paid on a monthly basis while keeping the current payments up to date. The Township has implemented a program whereby liens are foreclosed within six months after the tax sale. As a result, most liens are outstanding for no longer than one year.

**Comparison of Tax Levies and Collections**

	<u>Tax Levy</u>	<u>Cash Collected</u>	<u>Percentage Collected</u>
2022	256,888,176	253,094,290	98.52%
2021	250,397,046	247,597,386	98.88%
2020	245,281,298	242,297,303	98.77%
2019	240,100,898	237,064,407	98.73%
2018	233,663,606	230,444,976	98.62%
2017	225,844,876	219,505,341	98.45%
2016	219,037,607	215,510,364	98.24%
2015	218,884,308	214,931,287	98.19%

Source: All figures are from the Township Audited Financial Statements.

**Miscellaneous Revenues 2022**

The Township receives revenues from a number of sources including state aid, federal and state grants, departmental revenues, interest on investments, and other fees and charges. For fiscal year 2022, the Township realized \$20,447,529 in miscellaneous revenues, as compared to \$16,997,812, \$16,396,843, \$21,337,785, \$17,128,850, \$20,687,203, \$23,427,849 and \$19,687,203, in fiscal year 2021, 2020, 2019, 2018, 2017, 2016, 2015 respectively.

**State Aid**

The major types of State aid and State shared taxes the Township has realized over the past five years have included Energy Receipts Tax and the Consolidated Municipal Property Tax Relief Act. In fiscal year 2022, these revenues generated a total of \$5,387,064 compared to \$5,387,064 in 2021, \$5,387,064 in 2020, \$5,387,064 in 2019 and \$5,387,064 in 2018.

**EXPENDITURES**

**Payroll and Related Expenses**

The Township employed approximately 417 full-time and 71 part-time employees as of December 31, 2022. Under the laws of New Jersey, municipal employees have certain organizational and representational rights, which include the right to organize, to negotiate collectively through representatives of their choosing and to engage in lawful concerted activities for negotiating. State law prohibits strikes by public employees and there have been no strikes among municipal employees in the Township since employees were granted the right to negotiate collectively.

As of December 31, 2022, approximately 430 of the Township's employees were organized in three collective bargaining units, including the PBA (Local 230), the Brick Supervisory Unit (Teamsters), and the TWU Local 225. All three have a four-year contract expiring 12/31/26.

<u>Bargaining Unit</u>	<u>Job Category</u>	<u>Members</u>
PBA (Local 230)	Represents all uniformed officers.	143
TWU Local 225	Represents all blue-collar employees, and all clerical	226
Teamsters	Supervisory Unit Represents mid-level mgmt...	23
Unclassified (non-union)	Department and Division Heads	25

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Source: Human Resources.

## **Retirement Systems and Pension Funds**

All full-time or qualified Township employees must enroll in one of two pension systems depending upon their employment status. These systems were established by acts of the State Legislature. Benefits, contributions, means of funding and the manner of administration are determined by State legislation. The Division of Pensions within the Treasury Department of the State is the administrator of the funds with benefit and contribution levels set by the State.

### **Public Employees' Retirement System**

Non-uniformed permanent Township employees are covered under the Public Employees' Retirement System. The system is evaluated every year. The Township will make a payment in fiscal year 2023 totaling \$3,107,057 compared to \$3,001,987 in 2022, \$2,727,188 in 2021, \$2,537,570 in 2020, \$2,576,100 in 2019, \$2,311,009 in 2018, \$2,018,960 in 2017, \$1,909,543.61 in 2016, \$1,777,018 in 2015, and \$1,529,565 in 2014.

### **Police and Firemen's Retirement System**

Uniformed employees of the Township are covered under the Police and Firemen's Retirement System. The Township will make a payment of \$5,944,436 in 2023 compared to \$5,743,416 in 2022, \$5,518,078 in 2021, \$5,041,482 in 2020, \$4,713,475 in 2019, \$4,044,304 in 2018, \$3,795,085 in 2017, \$3,739,749 in 2016, \$3,499,906 in 2015 and \$3,279,402 in 2014.

### **Affordable Housing Obligations**

Under the State Constitution, as interpreted by the New Jersey Supreme Court, growing New Jersey municipalities have an obligation to address regional housing needs by providing opportunities for affordable housing to low and moderate income families and individuals. This obligation may be met by construction of new housing, rezoning to permit increased residential development, payment to other municipalities, or other means. The New Jersey Council on Affordable Housing ("COAH") adopted a Resolution granting substantive certification to the Township on February 3, 1993. The Township's program includes the construction of affordable housing by developers and the Township. Funding for implementation of this program is expected to be achieved through mandatory developer fees, administrative fees and federal and state grant monies. Therefore, the Township anticipates that the components of this approval will not impose further financial obligations upon the Township.

### **Board of Education**

New Jersey's school districts operate under the same comprehensive review and regulation as do its municipalities. Certain exceptions and differences are provided, but the State supervision of school finance closely parallels that of local governments.

The Board of Education operates under Title 18A, Education, of the New Jersey Statutes and is a Type II school district. The Board of Education operates independently of the governing body of the Township, and the members of the Board are elected by the voters of the school district. The Board is composed of seven members serving three-year staggered terms.

The school enrollment was as follows for the 2010/11 through 2021/22 school years

<u>School Year</u>	<u>Enrollment</u>
2010/11	10,084
2011/12	9,894
2012/13	9,720
2013/14	9,456
2014/15	9,169
2015/16	9,061
2016/17	9,055
2017/18	8,832
2018/19	8,466
2019/20	8,651
2020/21	8,410
2021/22	8,342

In a Type II school district, the elected board develops the budget proposal and, at or after a public hearing, submits it for voter approval. Debt service provisions are not subject to public referendum. If approved, the budget goes into effect. If defeated, the Township must develop the school budget by May 19 of each year. Should the governing bodies be unable to do so, the Commissioner establishes the local school budget.

The New Budget Election Law (P.L. 2011, c. 202, effective January 17, 2012) establishes procedures that allow the date of the annual school election of a Type II school district, without a board of school estimate, to be moved from April to the first Tuesday after the first Monday in November, to be held simultaneously with the general election. Such change in the annual school election date must be authorized by resolution of either the Board or the governing body of the municipality, or by an affirmative vote of a majority of the voters whenever a petition, signed by at least 15% of the legally qualified voters, is filed with the Board. Once the annual school election is moved to November, such election may not be changed back to an April annual school election for four years.

School districts that opt to move the annual school election to November would no longer be required to submit the budget to the voters for approval if the budget is at or below the two-percent property tax levy cap as provided for in the New Cap Law. For school districts that opt to change the annual school election date to November, proposals to spend above the two-percent property tax levy cap would be presented to voters at the annual school election in November.

In 2012, the Board of Education approved a resolution moving the annual school election to November.

### **School Debt Subject to Voter Approval**

State law permits the school district, upon approval of the voters, to authorize school district debt, including debt in excess of its debt limit of 4.00% of the equalized valuation basis by using the available borrowing capacity of the Township. If such debt should be in excess of the school district debt limit and the remaining borrowing capacity of the Township, the State

Commissioner of Education and the Local Finance Board must approve the proposed debt authorization before it is submitted to the voters. The debt of the Township school district is at present within statutory limits.

The following table shows the Township's debt capacity as of December 31, 2022 for capital purposes.

<b><u>Debt Limit</u></b>	
Three Year Average Equalized Valuation	\$12,965,025,911
Statutory Borrowing Capacity (3-1/2% Equalized Valuation Basis)	\$453,775,906
Statutory Net Debt	<u>\$128,750,677</u>
Remaining Borrowing Capacity	\$325,025,229
Percentage of Net Debt to Average Equalized Valuation	0.993%

(1) Includes authorized but not issued debt.

### **Outstanding Long-Term Indebtedness**

The following page presents the debt service requirements on currently outstanding bonds as of December 31, 2022.

### **Statement of Indebtedness As of December 31, 2022**

#### **DIRECT DEBT**

Township Indebtedness Issued and Outstanding	
Serial Bonds	\$85,900,000
Bond Anticipation Notes	15,211,155
Green Trust Loans	349,213
Bonds and Notes Authorized But Not Issued	28,455,383
N.J. EITF Loan	0
Dam Restoration Loans Payable	471,285
Board of Education Debt	9,610,000
Assessment Bonds Issued	285,000
DCA	<u>150,000</u>
Total Gross Debt	\$140,432,036
Less Statutory Deductions:	
Board of Education Debt	9,610,000
Township Cash on Hand to Pay Debt	<u>2,071,359</u>
	\$11,681,359
 Net Direct Debt	 <u>\$128,750,677</u>

**INDIRECT DEBT**

<u>Name of Related Entity</u>	<u>Principal Amount</u>	<u>Brick Township</u>
Brick Township Municipal Utilities Authority (1)	\$37,432,729	\$37,432,729
Ocean County (2)	\$497,859,761	\$54,102,116
Ocean County Utilities Authority (3)	<u>\$100,624,838</u>	<u>\$10,934,838</u>
Net Indirect Debt		<u>\$102,469,683</u>
Total Net Direct and Indirect Debt		<u>\$231,220,360</u>

(1) Based on the audited financial statements for the Fiscal Year ended March 31, 2022.

(2) Based on the 12/31/22 Annual Debt Statement

(3) Based on the 12/31/21 Financial Statements. (The Authority has additional outstanding loan principal of \$7,278,132 due in future years for NJIB and ERB loan draws on projects still in process. Repayment schedules for these loans have not been finalized.

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**APPENDIX B**

**FINANCIAL STATEMENTS OF THE TOWNSHIP OF BRICK  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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**TOWNSHIP OF BRICK  
COUNTY OF OCEAN, NEW JERSEY**

**REPORT OF AUDIT  
YEAR ENDED DECEMBER 31, 2022**

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OCEAN COUNTY, NEW JERSEY  
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**TOWNSHIP OF BRICK**

**COUNTY OF OCEAN**

**PART I**

**REPORT OF AUDIT OF FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and  
Members of the Township Council  
Township of Brick  
Brick, New Jersey

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying comparative balance sheets - regulatory basis of the various funds of the Township of Brick, ("Township"), County of Ocean, State of New Jersey, as of December 31, 2022 and 2021 and the related comparative statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

#### *Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2022 and 2021, or the changes in financial position for the years then ended.

#### *Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statements referred to above present fairly, in all material respects, the balance sheets - regulatory basis and account group as of December 31, 2022 and 2021 and the statement of operations - regulatory basis for the years then ended, and the statement of revenues and expenditures - regulatory basis for the year ended December 31, 2022 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division") as described in Note 1.

#### *Basis for Unmodified Opinion on Regulatory Basis of Accounting*

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

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

As described in Note 1 to the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions prescribed by the Division, which is a basis of accounting other than accounting

principles generally accepted in the United States of America, to meet with the requirements of the 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.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting prescribed by the Division. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

### ***Auditor's Responsibility for the Audit of the Financial Statements***

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

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

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

### ***Supplementary Information***

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

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 12, 2023, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

*Charles J. Fallon, CPA, RMA*

Charles J. Fallon  
Certified Public Accountant  
Registered Municipal Accountant #506

*Fallon & Company LLP*

FALLON & COMPANY LLP  
Hazlet, New Jersey  
April 12, 2023

**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***

To the Honorable Mayor and  
Members of the Township Council  
Township of Brick  
Brick, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements – regulatory basis, as listed in the table of contents, of the Township of Brick, in the County of Ocean, State of New Jersey (“Township”), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township’s basic financial statements, and have issued our report thereon dated April 12, 2023, which was adverse due to being presented in accordance with the New Jersey Regulatory Basis of Accounting. Our report disclosed that, as described in Note 1 to the financial statements, the Township prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”), that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey.

**Report on Internal Control Over Financial Reporting**

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

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

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

## Report on Compliance and Other Matters

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

### Purpose of this Report

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

*Charles J. Fallon, CPA, RMA*

Charles J. Fallon  
Certified Public Accountant  
Registered Municipal Accountant #506

*Fallon & Company LLP*

FALLON & COMPANY LLP  
Hazlet, New Jersey  
April 12, 2023

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

CURRENT FUND  
 COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

As of December 31,

ASSETS	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Cash	A-4	\$ 50,004,680.12	\$ 51,621,534.95
Investments	A-4	6,200,000.00	1,200,220.90
Cash - Change Fund	A-5	4,750.00	4,750.00
Due from State of New Jersey (P.L. 1971, C.20)	A-11	30,466.72	21,093.76
		56,239,896.84	52,847,599.61
Receivables with Full Reserves:			
Delinquent Property Taxes Receivable	A-6	2,912,756.33	2,553,211.80
Tax Title Liens Receivable	A-7	743,177.36	700,866.01
Non Federal Cost Share Program Receivable	A-8	52,858.15	52,858.15
Property Acquired for Taxes	A-9	8,908,700.00	8,912,300.00
Revenue Accounts Receivable	A-10	313,966.94	222,984.05
Interfunds Receivable	A-20	341,751.44	341,751.44
		12,931,458.78	12,783,971.45
Deferred Charges:			
Emergency Authorizations	A-34	200,000.00	200,000.00
		69,171,355.62	65,831,571.06
Federal and State Grant Fund:			
Interfund - Current Fund	A-23	5,358,935.88	3,382,367.02
Grants Receivable	A-24	2,157,266.38	4,678,518.83
		7,516,202.26	8,060,885.85
Total Assets		\$ 76,687,557.88	\$ 73,892,456.91

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

CURRENT FUND  
 COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

As of December 31,

<b>LIABILITIES, RESERVES, AND FUND BALANCE</b>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Appropriation Reserves	A-3/A-12	\$ 4,810,518.13	\$ 3,290,034.13
Reserve for Encumbrances	A-21	2,311,846.67	1,876,908.73
Accounts Payable	A-22	85,000.00	85,000.00
Prepaid Taxes	A-13	1,453,620.21	1,710,788.26
Tax Overpayments	A-14	16,039.72	35,286.99
County Taxes Payable	A-15	193,114.19	183,691.97
Local District School Taxes Payable	A-16	11,727,601.00	10,576,870.93
Due to State of New Jersey - Marriage License Fees	A-18		2,125.00
Due to State of New Jersey - DCA Surcharge	A-19	14,666.00	14,608.00
Interfunds Payable	A-20	5,358,935.88	3,382,367.02
Reserve for Revaluation	A-28	1,601.22	1,601.22
Reserve for Hurricane Sandy	A-29	2,904,588.80	2,904,588.80
Payroll Deductions Payable	A-30	15,729.28	361,992.91
Reserve for FEMA	A-31	4,911,578.01	4,911,578.01
Reserve for Cafeteria Plan	A-32		679.53
Reserve for Municipal Relief Fund Aid	A-35	281,010.18	
Reserve for Burial Permits	A-4		10.00
		<hr/> 34,085,849.29	<hr/> 29,338,131.50
Reserve for Receivables and Other Assets	A	12,931,458.78	12,783,971.45
Fund Balance	A-1	22,154,047.55	23,709,468.11
		<hr/> 69,171,355.62	<hr/> 65,831,571.06
Federal and State Grant Fund:			
Appropriated Reserves	A-25	2,855,854.09	2,944,150.35
Unappropriated Reserves	A-26	4,343,021.28	4,128,692.88
Reserve for Encumbrances	A-27	317,326.89	988,042.62
		<hr/> 7,516,202.26	<hr/> 8,060,885.85
Total Liabilities, Reserves and Fund Balance		<hr/> <b>\$ 76,687,557.88</b>	<hr/> <b>\$ 73,892,456.91</b>

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE  
REGULATORY BASIS

For the Years Ended December 31,

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$ 9,950,000.00	\$ 9,918,843.81
Miscellaneous Revenue Anticipated	A-2	20,447,529.03	16,891,376.97
Receipts from Delinquent Taxes	A-2	2,598,321.81	2,730,574.46
Receipts from Current Taxes	A-2	253,340,889.74	247,623,136.90
Non-Budget Revenues	A-2	2,367,218.47	8,017,782.91
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	A-12	2,847,929.39	5,951,765.54
Cancel Tax Overpayments	A-14	39,205.83	10,848.38
Cancel Reserve for Grants Appropriated	A-20	183,559.47	502,086.35
Interfunds Returned	A-20	341,751.44	545,316.24
		<hr/>	<hr/>
Total Revenue		292,116,405.18	292,191,731.56
		<hr/>	<hr/>
Expenditures:			
Budget Appropriations Within Caps:			
Operations:			
Salaries and Wages	A-3	41,795,496.76	40,568,190.00
Other Expenses	A-3	33,922,733.00	31,313,847.00
Deferred Charges and Statutory Expenditures	A-3	12,287,273.44	11,662,222.86
Budget Appropriations Excluded from Caps:			
Operations:			
Salaries and Wages	A-3	1,569,131.77	1,406,987.99
Other Expenses	A-3	1,875,827.09	1,798,842.07
Capital Improvements	A-3	500,000.00	500,000.00
Municipal Debt Service	A-3	15,956,880.77	16,106,686.97
Deferred Charges	A-3	200,000.00	0.25
		<hr/>	<hr/>
		108,107,342.83	103,356,777.14

The accompanying notes are an integral part of this statement.



**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

CURRENT FUND  
 COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE  
 REGULATORY BASIS

For the Years Ended December 31,

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Prior Year Revenue Refunded	A-4	\$ 15,258.62	\$ 17,411.87
Prior Year Senior Citizen Deduction Disallowed	A-11	21,526.02	21,139.03
Prior Year Tax Revenue Refunded	A-14	125,108.88	147,434.15
County Taxes	A-15	48,536,001.76	46,855,416.02
Amount Due County for Added and Omitted Taxes	A-15	193,114.19	183,691.97
Local District School Taxes	A-16	119,658,727.00	117,357,273.00
Fire District Taxes Payable	A-17	5,985,000.00	5,894,000.00
Municipal Open Space	A-20	1,054,695.44	1,049,809.53
Grants Receivable Canceled	A-20	25,026.00	525,881.96
Prior Year Marriage License	A-4	25.00	
		<hr/>	<hr/>
Total Expenditures		283,721,825.74	275,408,834.67
		<hr/>	<hr/>
Excess/(Deficit) in Revenue		8,394,579.44	16,782,896.89
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of Succeeding Years	A-3		200,000.00
			<hr/>
Statutory Excess to Fund Balance		8,394,579.44	16,982,896.89
		<hr/>	<hr/>
Fund Balance January 1	A	23,709,468.11	16,645,415.03
		<hr/>	<hr/>
		32,104,047.55	33,628,311.92
Decreased by:			
Utilized as Anticipated Revenue	A-1/A-2	9,950,000.00	9,918,843.81
		<hr/>	<hr/>
Fund Balance December 31	A	<u>\$ 22,154,047.55</u>	<u>\$ 23,709,468.11</u>

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

**CURRENT FUND**  
**STATEMENT OF REVENUES - REGULATORY BASIS**

For the Year Ended December 31, 2022

	<u>Ref.</u>	<u>Budget</u>	<u>Anticipated</u> Special N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Fund Balance Anticipated	A-1	\$ 9,950,000.00	_____	\$ 9,950,000.00	_____
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-10	84,550.00		83,950.00	\$ (600.00)
Other	A-10	46,900.00		47,096.00	196.00
Fees and Permits	A-2/A-10	370,000.00		415,747.23	45,747.23
Fines and Costs:					
Municipal Court	A-10	370,000.00		315,317.62	(54,682.38)
Interest and Costs on Taxes	A-10	605,000.00		611,220.06	6,220.06
Interest on Investments and Deposits	A-10	84,400.00		574,061.26	489,661.26
Bathing Beach Privileges	A-10	485,000.00		581,848.71	96,848.71
Energy Receipts Tax (P.L. 1997, Ch. 62 & 67)	A-10	5,387,064.00		5,387,064.00	
Uniform Construction Code Fees	A-10	1,925,000.00		2,563,535.00	638,535.00
EMS Service Fees	A-10	1,855,931.77		2,012,433.17	156,501.40
Solar Redeveloper's Debt Service Contribution per Redeveloper Agreement	A-10	1,639,200.00		1,963,665.78	324,465.78
Comcast/Verizon - Franchise Tax	A-10	466,494.11		466,494.11	
American Rescue Plan	A-10	3,958,920.00		3,958,920.00	
Municipal Alliance Grant - SFY 2023	A-24		\$ 21,773.00	21,773.00	
Municipal Alliance Youth Leadership Grant	A-24		7,371.02	7,371.02	

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

**CURRENT FUND**  
**STATEMENT OF REVENUES - REGULATORY BASIS**

For the Year Ended December 31, 2022

	<u>Ref.</u>	<u>Budget</u>	<u>Anticipated</u> Special N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
State Body Armor Replacement Fund	A-24	\$ 5,656.46		\$ 5,656.46	
Body Worn Camera	A-24	277,168.00		277,168.00	
Homeland Security Grant	A-24	10,000.00		10,000.00	
Hiring and Retention Grant	A-24	7,000.00		7,000.00	
Brick Senior Grant	A-24	200,000.00		200,000.00	
Recycling Tonnage Grant - State	A-24		\$ 114,998.73	114,998.73	
Districted Driving Statewide Crackdown	A-24		24,960.00	24,960.00	
Sustainable Jersey Small Grants Program	A-24		2,000.00	2,000.00	
Title III B & E Senior Grant	A-24	174,654.00		174,654.00	
Ocean County Pump Out Boat	A-24		40,000.00	40,000.00	
Recreation for Individuals with Disabilities	A-24		8,800.00	8,800.00	
Click It or Ticket	A-24		8,750.00	8,750.00	
Drive Sober or Get Pulled Over	A-24		7,000.00	7,000.00	
2021 Safe & Secure Grant	A-24	32,400.00		32,400.00	
2022 Pedestrian Safety Grant	A-24		14,980.00	14,980.00	
2022 Community Development Block Grant	A-24		310,817.00	310,817.00	
NJ Public Utilities Clean Energy Electric Vehicle	A-24		14,000.00	14,000.00	
NJ Board of Public Utilities Clean Energy Community	A-24		10,000.00	10,000.00	
County of Ocean - Tourism Grant	A-24	2,500.00	1,575.00	4,075.00	
Clean Communities Program	A-24	169,772.88		169,772.88	
<b>Total Miscellaneous Revenues</b>	<b>A-1</b>	<b>\$ 18,157,611.22</b>	<b>\$ 587,024.75</b>	<b>\$ 20,447,529.03</b>	<b>\$ 1,702,893.06</b>

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

**CURRENT FUND**  
**STATEMENT OF REVENUES - REGULATORY BASIS**

For the Year Ended December 31, 2022

	<u>Ref.</u>	<u>Budget</u>	<u>Anticipated</u> Special N.J.S.A. <u>40A:4-87</u>	<u>Realized</u>	<u>Excess or</u> <u>(Deficit)</u>
Receipts from Delinquent Taxes	A-1/A-2	\$ 2,600,000.00		\$ 2,598,321.81	\$ (1,678.19)
		30,707,611.22	\$ 587,024.75	32,995,850.84	1,701,214.87
Amount to be Raised by Taxes for Support of Municipal Budget	A-2	80,547,357.50		81,647,715.78	1,100,358.28
		111,254,968.72	587,024.75	114,643,566.62	2,801,573.15
Non-Budget Revenues	A-1/A-2			2,367,218.47	2,367,218.47
Total		<u>\$ 111,254,968.72</u>	<u>\$ 587,024.75</u>	<u>\$ 117,010,785.09</u>	<u>\$ 5,168,791.62</u>
	<u>Ref.</u>	A-3	A-3		

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2022

<u>Analysis of Realized Revenues</u>	<u>Ref.</u>	
Allocation of Current Tax Collections:		
Revenue from Collections	A-1/A-6	\$ 253,340,889.74
Allocated to School, County, Special District and Municipal Open Space	A-6	<u>175,427,538.39</u>
Balance for Support of Municipal Budget Appropriations		77,913,351.35
Add:		
Reserve for Uncollected Taxes	A-3	<u>3,734,364.43</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u>\$ 81,647,715.78</u>
Receipts from Delinquent Taxes:		
Delinquent Tax Collections	A-2/A-6	<u>\$ 2,598,321.81</u>
Fees and Permits:		
Township Clerk		\$ 57,603.73
Non UCC Fees		205,265.00
Recreation Department		<u>152,878.50</u>
	A-2	<u>\$ 415,747.23</u>

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

CURRENT FUND  
STATEMENT OF REVENUES - REGULATORY BASIS

For the Year Ended December 31, 2022

	<u>Ref.</u>	
Analysis of Non-Budget Revenues:		
Rent - Civic Center		\$ 30,906.00
Rent - Tower		49,545.34
Canceled Checks		719.88
Payment in Lieu of Taxes on Real Property		125,186.24
Police		34,585.49
Scrap Metal		82,395.05
Garbage Cans		67,440.00
Water/Sewer		2,080.00
Recycling Revenue		106,582.51
Sale of Township Property		138,106.00
Concession Bid Revenue		47,524.50
Tax Collector - Miscellaneous		10,473.55
Property Search Fees		3,152.75
BTMUA Charges		29,727.58
Miscellaneous DPW Charges		1,547.42
Tax Sale Premiums Forfeited		38,200.00
OCJIF/CJHIF Dividend		261,637.93
Hotel Fee		1,439.52
Senior Citizen and Veteran Administrative Fee		13,539.46
Hackensack Contributions		329,988.12
Township of Clerk		96,148.67
County of Ocean		41,201.66
Prior Year Engineering/Inspection Salary Reimbursement		12,471.94
Con Edison Electricity Reimbursement		7,779.56
Property Maintenance Registration/Attorney Fee		283,470.00
Sale of Liquor License		57,500.00
Insurance		411,230.43
CDBG Chargeback		11,761.47
Prior Year Union Salary Reimbursement		25,157.21
Miscellaneous		45,720.19
	A-4	\$ 2,367,218.47

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**For the Year Ended December 31, 2022**

	<u>Budget</u>	<u>Appropriated</u> Budget After <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Expended</u>  <u>Reserved</u>	<u>Unexpended</u> <u>Balance</u> <u>Canceled</u>
<u>Operations Within CAPS</u>					
<u>General Government:</u>					
Administrative and Executive					
Salaries and Wages	\$ 393,050.00	\$ 393,050.00	\$ 377,289.03	\$ 15,760.97	
Other Expenses	7,425.00	7,425.00	6,787.71	637.29	
Purchasing and Contracting					
Salaries and Wages	317,200.00	317,200.00	306,182.55	11,017.45	
Other Expenses	120,405.00	120,405.00	109,385.20	11,019.80	
Human Resources					
Salaries and Wages	480,100.00	480,100.00	399,270.71	80,829.29	
Other Expenses	348,225.00	348,225.00	294,302.29	53,922.71	
Mayor					
Salaries and Wages	229,300.00	229,300.00	226,886.48	2,413.52	
Other Expenses	19,150.00	19,150.00	13,967.65	5,182.35	
Council					
Salaries and Wages	57,050.00	57,050.00	56,497.35	552.65	
Other Expenses	1,620.00	1,620.00	1,590.11	29.89	
Municipal Clerk					
Salaries and Wages	837,550.00	801,710.00	730,557.51	71,152.49	
Other Expenses	40,025.00	40,025.00	22,749.71	17,275.29	
Elections					
Other Expenses	12,280.00	12,280.00	11,267.98	1,012.02	
Financial Administration					
Salaries and Wages	530,500.00	460,500.00	413,522.32	46,977.68	
Other Expenses	184,000.00	164,000.00	142,485.54	21,514.46	

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**For the Year Ended December 31, 2022**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Audit Services					
Other Expenses	\$ 67,000.00	\$ 67,000.00	\$ 67,000.00		
Computerized Data Processing					
Salaries and Wages	646,000.00	611,000.00	545,661.82	\$ 65,338.18	
Other Expenses	665,950.00	665,950.00	628,293.67	37,656.33	
Tax Collector					
Salaries and Wages	485,500.00	485,500.00	408,045.23	77,454.77	
Other Expenses	50,035.00	50,035.00	43,715.74	6,319.26	
Tax Assessor					
Salaries and Wages	456,000.00	430,998.53	344,571.70	86,426.83	
Other Expenses	143,450.00	143,450.00	27,501.28	115,948.72	
Legal Services					
Other Expenses	280,000.00	280,000.00	152,540.63	127,459.37	
Engineering					
Salaries and Wages	240,000.00	190,000.00	120,044.32	69,955.68	
Other Expenses	159,280.00	159,280.00	61,880.30	97,399.70	
Historic Preservation Committee					
Salaries and Wages	2,240.00	2,240.00	775.80	1,464.20	
Other Expenses	2,600.00	2,600.00	250.00	2,350.00	
<u>Land Use Administration:</u>					
Planning Board					
Other Expenses	11,300.00	11,300.00	728.86	10,571.14	
Land Use					
Salaries and Wages	475,000.00	405,000.00	370,038.65	34,961.35	
Other Expenses	39,875.00	39,875.00	29,755.64	10,119.36	

The accompanying notes are an integral part of this statement.



**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**For the Year Ended December 31, 2022**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Zoning Board of Adjustment					
Salaries and Wages	\$ 63,500.00	\$ 63,500.00	\$ 63,242.04	\$ 257.96	
Other Expenses	7,570.00	7,570.00	1,112.03	6,457.97	
Affordable Housing Agency					
Salaries and Wages	5,000.00	5,000.00		5,000.00	
Other Expenses	25,000.00	25,000.00	1,588.50	23,411.50	
<u>Insurance:</u>					
Liability Insurance	1,095,000.00	1,095,000.00	988,095.03	106,904.97	
Workers Compensation Insurance	1,120,000.00	1,120,000.00	1,103,705.00	16,295.00	
Employee Group Insurance	16,915,000.00	17,915,000.00	17,535,020.29	379,979.71	
Health Benefits Waiver	375,000.00	375,000.00	351,339.07	23,660.93	
<u>Public Safety Functions:</u>					
Police Department					
Salaries and Wages	17,541,080.00	17,041,080.00	16,914,709.70	126,370.30	
American Rescue Plan					
Salaries and Wages	3,958,920.00	3,958,920.00	3,958,920.00		
Other Expenses	247,500.00	247,500.00	247,411.67	88.33	
Special Police					
Salaries and Wages	350,000.00	320,000.00	277,682.46	42,317.54	
Other Expenses	9,000.00	9,000.00	5,173.00	3,827.00	
Crossing Guards					
Salaries and Wages	485,000.00	485,000.00	450,425.62	34,574.38	
Other Expenses	11,147.00	11,147.00	10,442.00	705.00	
Explorers					
Other Expenses	3,000.00	3,000.00	2,403.24	596.76	

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**For the Year Ended December 31, 2022**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>		<u>Canceled</u>
Police Vehicles and Equipment					
Other Expenses	\$ 331,750.00	\$ 331,750.00	\$ 327,139.70	\$ 4,610.30	
Police Dispatch / 911					
Salaries and Wages	1,945,000.00	1,695,000.00	1,613,679.99	81,320.01	
Other Expenses	2,600.00	2,600.00	1,664.00	936.00	
Office of Emergency Management					
Salaries and Wages	60,000.00	60,000.00	59,688.98	311.02	
Other Expenses	500.00	500.00	499.00	1.00	
EMT Services					
Salaries and Wages	905,868.23	925,868.23	808,529.72	117,338.51	
Municipal Prosecutor's Office					
Other Expenses	90,000.00	90,000.00	77,400.00	12,600.00	
<u>Public Works Functions:</u>					
Streets and Road Maintenance					
Other Expenses	694,800.00	694,800.00	176,906.33	517,893.67	
Solid Waste Collection					
Salaries and Wages	4,715,000.00	4,115,000.00	3,971,862.50	143,137.50	
Other Expenses	154,025.00	154,025.00	148,473.64	5,551.36	
Building and Grounds					
Salaries and Wages	883,000.00	918,000.00	857,295.05	60,704.95	
Other Expenses	625,550.00	625,550.00	489,586.53	135,963.47	
Vehicle Maintenance					
Salaries and Wages	877,000.00	877,000.00	849,167.57	27,832.43	
Other Expenses	1,106,700.00	1,106,700.00	1,106,004.13	695.87	
Community Services Act	275,000.00	275,000.00		275,000.00	

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**For the Year Ended December 31, 2022**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Shade Tree Commission					
Salaries and Wages	\$ 2,240.00	\$ 2,240.00	\$ 775.80	\$ 1,464.20	
Other Expenses	1,310.00	1,310.00	1,192.78	117.22	
<u>Health and Human Services Functions:</u>					
Environmental Commission					
Salaries and Wages	2,240.00	2,240.00	775.80	1,464.20	
Other Expenses	625.00	625.00	375.00	250.00	
Animal Control Services					
Other Expenses	100,000.00	100,000.00	84,000.00	16,000.00	
Senior Citizens					
Salaries and Wages	280,000.00	280,000.00	260,176.04	19,823.96	
Other Expenses	52,511.00	52,511.00	49,166.34	3,344.66	
<u>Parks and Recreation Functions:</u>					
Recreation Services and Programs					
Salaries and Wages	603,500.00	623,500.00	604,679.48	18,820.52	
Other Expenses	27,710.00	27,710.00	22,823.90	4,886.10	
Maintenance of Parks					
Salaries and Wages	1,405,000.00	1,405,000.00	1,323,195.35	81,804.65	
Other Expenses	201,400.00	201,400.00	168,789.36	32,610.64	
Beach and Boardwalk Operations					
Salaries and Wages	382,000.00	382,000.00	382,000.00		
Other Expenses	27,035.00	27,035.00	24,700.92	2,334.08	

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**For the Year Ended December 31, 2022**

	<u>Appropriated</u>		<u>Expended</u>	
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>
		<u>Modification</u>	<u>Charged</u>	<u>Unexpended</u>
				<u>Balance</u>
				<u>Canceled</u>
<u>Code Enforcement and Administration:</u>				
Municipal Code Enforcement				
Salaries and Wages	\$ 253,500.00	\$ 253,500.00	\$ 216,430.58	\$ 37,069.42
Other Expenses	151,650.00	151,650.00	12,380.12	139,269.88
<u>Utility Expenses and Bulk Purchases:</u>				
Electricity	875,000.00	782,000.00	523,305.39	258,694.61
Street Lighting	800,000.00	868,000.00	868,000.00	
Telephone	325,000.00	325,000.00	300,650.35	24,349.65
Water	100,000.00	115,000.00	104,006.05	10,993.95
Gas	110,000.00	120,000.00	87,768.00	32,232.00
Telecommunications Costs	38,000.00	38,000.00	33,437.91	4,562.09
Gasoline	950,000.00	1,500,000.00	1,313,170.35	186,829.65
<u>Landfill/Solid Waste Disposal Costs:</u>				
Solid Waste Disposal Costs				
Other Expenses	3,175,000.00	3,175,000.00	3,016,318.48	158,681.52
<u>Municipal Court</u>				
Salaries and Wages	960,500.00	890,500.00	814,326.02	76,173.98
Other Expenses	16,680.00	16,680.00	14,596.96	2,083.04
<u>Public Defender</u>				
Other Expenses	95,000.00	95,000.00	67,000.00	28,000.00

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**For the Year Ended December 31, 2022**

	<u>Budget</u>	<u>Appropriated</u> Budget After <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Expended</u>  <u>Reserved</u>	<u>Unexpended</u> Balance <u>Canceled</u>
<u>Uniform Construction Code - Appropriations</u>					
<u>Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):</u>					
Uniform Construction Code					
Salaries and Wages	\$ 1,728,500.00	\$ 1,628,500.00	\$ 1,534,454.60	\$ 94,045.40	
Other Expenses	104,050.00	104,050.00	85,884.33	18,165.67	
<u>Unclassified:</u>					
Accumulated Leave Compensation					
Salaries and Wages	800,000.00	1,000,000.00	1,000,000.00		
Total Operations Within CAPS	75,749,071.23	75,718,229.76	71,227,092.48	4,491,137.28	
Contingent					
Total Operations Including Contingent Within CAPS	75,749,071.23	75,718,229.76	71,227,092.48	4,491,137.28	
<u>Detail:</u>					
Salaries and Wages	43,356,338.23	41,795,496.76	40,261,360.77	1,534,135.99	
Other Expenses	32,392,733.00	33,922,733.00	30,965,731.71	2,957,001.29	
<u>Deferred Charges and Statutory Expenditures Within CAPS</u>					
<u>Deferred Charges:</u>					
Prior Years Bills					
Burnt Tavern c/o Pinnacle Real Estate	2,423.95	2,423.95	2,423.95		
Greenwood Park c/o Pinnacle real Estate	1,417.32	1,417.32	1,417.32		
Laurel Brook 2 c/o Executive Property Mngt	739.95	739.95	739.95		
Sutton Village Association	1,421.48	1,421.48	1,421.48		
Drum Point Village East	132.50	132.50	132.50		
DeJana Truck Equipment	134.77	134.77	134.77		
Woska, Breanna	600.00	600.00	600.00		
The Central Collection Unit	248.04	248.04			\$ 248.04

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**

For the Year Ended December 31, 2022

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	\$ 3,001,812.00	\$ 3,001,987.42	\$ 3,001,987.42		
Social Security System (O.A.S.I.)	3,325,000.00	3,325,000.00	3,119,554.53	\$ 205,445.47	
Police and Firemen's Retirement System of NJ	5,742,750.00	5,743,416.05	5,743,416.05		
Short Term Disability Insurance	120,000.00	150,000.00	126,323.32	23,676.68	
Defined Contribution Retirement Program	60,000.00	60,000.00	47,238.47	12,761.53	
Deferred Charges and Statutory Expenditures Within CAPS	<u>12,256,680.01</u>	<u>12,287,521.48</u>	<u>12,045,389.76</u>	<u>241,883.68</u>	<u>\$ 248.04</u>
Total Appropriations Within CAPS	<u>88,005,751.24</u>	<u>88,005,751.24</u>	<u>83,272,482.24</u>	<u>4,733,020.96</u>	<u>248.04</u>
<u>Operations Excluded from CAPS:</u>					
Recycling Tax	96,800.00	96,800.00	96,800.00		
<u>Additional Appropriations Offset by Revenues:</u>					
Supplemental Fire District Payment	26,051.00	26,051.00	26,051.00		
EMT Services					
Salaries and Wages	1,569,131.77	1,569,131.77	1,569,131.77		
Other Expenses	286,800.00	286,800.00	209,302.83	77,497.17	
<u>Public and Private Programs Offset by Revenues:</u>					
State Body Armor Replacement Fund	5,656.46	5,656.46	5,656.46		
Municipal Alliance on Alcoholism and Drug Abuse		7,371.02	7,371.02		
Ocean - MACADA Grant		21,773.00	21,773.00		
Recycling Tonnage Grant - State		114,998.73	114,998.73		
Distracted Driving Statewide Crackdown		24,960.00	24,960.00		
Senior Citizens Grant - Title III B	174,654.00	174,654.00	174,654.00		

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**For the Year Ended December 31, 2022**

	<u>Budget</u>	<u>Appropriated</u> Budget After <u>Modification</u>	<u>Paid or</u> <u>Charged</u>	<u>Expended</u>  <u>Reserved</u>	<u>Unexpended</u> Balance <u>Canceled</u>
Ocean County Pump Out Boat		\$ 40,000.00	\$ 40,000.00		
Recreation for Individuals with Disabilities		8,800.00	8,800.00		
Click It or Ticket		8,750.00	8,750.00		
Body Worn Camera	\$ 277,168.00	277,168.00	277,168.00		
Homeland Security	10,000.00	10,000.00	10,000.00		
Hiring and Retention Grant	7,000.00	7,000.00	7,000.00		
Brick Seniors	200,000.00	200,000.00	200,000.00		
Sustainable Jersey Small Grants Program		2,000.00	2,000.00		
County of Ocean - Tourism Grant	2,500.00	4,075.00	4,075.00		
NJ Public Utilities Clean Energy Electric Vehicle		14,000.00	14,000.00		
NJ Board of Public Utilities Clean Energy Community		10,000.00	10,000.00		
2022 Drive Sober or Get Pulled Out		7,000.00	7,000.00		
2022 Safe & Secure Grant	32,400.00	32,400.00	32,400.00		
2022 Pedestrian Safety Grant		14,980.00	14,980.00		
2022 Community Development Block Grant		310,817.00	310,817.00		
Clean Communities Program	169,772.88	169,772.88	169,772.88		
<b>Total Operations - Excluded From CAPS</b>	<u>2,857,934.11</u>	<u>3,444,958.86</u>	<u>3,367,461.69</u>	<u>\$ 77,497.17</u>	
Detail:					
Salaries and Wages	1,569,131.77	1,569,131.77	1,569,131.77		
Other Expenses	1,288,802.34	1,875,827.09	1,798,329.92	77,497.17	
<b>Capital Improvements Excluded From CAPS</b>					
Capital Improvement Fund	<u>500,000.00</u>	<u>500,000.00</u>	<u>500,000.00</u>		
<b>Total Capital Improvements Excluded From CAPS</b>	<u>500,000.00</u>	<u>500,000.00</u>	<u>500,000.00</u>		

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**  
**CURRENT FUND**  
**STATEMENT OF EXPENDITURES - REGULATORY BASIS**  
**For the Year Ended December 31, 2022**

	<u>Appropriated</u>		<u>Expended</u>		<u>Unexpended Balance Canceled</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	
<u>Municipal Debt Service Excluded from CAPS</u>					
Payment of Bond Principal	\$ 13,311,734.94	\$ 13,311,734.94	\$ 13,311,734.94		
Interest on Bonds	2,325,184.00	2,325,184.00	2,325,183.70		\$ 0.30
Interest on Notes	243,900.00	243,900.00	243,883.76		16.24
DEP Loan Rainbow & Lower Lake Riviera Dam	46,100.00	46,100.00	46,078.37		21.63
Urban & Rural Unsafe Buildings Demolition	30,000.00	30,000.00	30,000.00		
<b>Total Municipal Debt Service Excluded from CAPS</b>	<b>15,956,918.94</b>	<b>15,956,918.94</b>	<b>15,956,880.77</b>		<b>38.17</b>
<u>Deferred Charges Excluded from CAPS</u>					
Emergency Authorizations	200,000.00	200,000.00	200,000.00		
<b>Total Deferred Charges - Municipal - Excluded from CAPS</b>	<b>200,000.00</b>	<b>200,000.00</b>	<b>200,000.00</b>		
<b>Total General Appropriations Excluded from CAPS</b>	<b>19,514,853.05</b>	<b>20,101,877.80</b>	<b>20,024,342.46</b>	<b>\$ 77,497.17</b>	<b>38.17</b>
Subtotal General Appropriations	107,520,604.29	108,107,629.04	103,296,824.70	4,810,518.13	286.21
Reserve for Uncollected Taxes	3,734,364.43	3,734,364.43	3,734,364.43		
<b>Total General Appropriations</b>	<b>\$ 111,254,968.72</b>	<b>\$ 111,841,993.47</b>	<b>\$ 107,031,189.13</b>	<b>\$ 4,810,518.13</b>	<b>\$ 286.21</b>
<u>Ref.</u>	A-3	A-3	A-1/A-3	A	

The accompanying notes are an integral part of this statement.



**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

CURRENT FUND  
 STATEMENT OF EXPENDITURES - REGULATORY BASIS

For the Year Ended December 31, 2022

	<u>Ref.</u>	<u>Budget After Modification</u>
Budget	A-2/A-3	\$ 111,254,968.72
Added by N.J.S. 40A:4-87	A-2	<u>587,024.75</u>
	A-3	<u>\$ 111,841,993.47</u>
		<u>Paid or Charged</u>
Disbursements	A-4	\$ 99,318,801.94
Interfund - Federal and State Grant Fund	A-20	1,466,176.09
Reserve for Encumbrances	A-21	2,311,846.67
Deferred Charges	A-34	200,000.00
Reserve for Uncollected Taxes	A-2	<u>3,734,364.43</u>
	A-3	<u>\$ 107,031,189.13</u>

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

TRUST FUND  
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

<b>ASSETS</b>		<u>2022</u>	<u>2021</u>
Animal Control Trust Fund:			
Cash	B-1	\$ 60,888.10	\$ 73,064.39
		<u>60,888.10</u>	<u>73,064.39</u>
Trust Other Fund:			
Cash	B-1	13,168,698.23	12,848,820.40
		<u>13,168,698.23</u>	<u>12,848,820.40</u>
Open Space Trust Fund:			
Cash	B-1	255,606.65	249,826.05
		<u>255,606.65</u>	<u>249,826.05</u>
		<u>\$ 13,485,192.98</u>	<u>\$ 13,171,710.84</u>
 <b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
Animal Control Trust Fund:			
Reserve for Encumbrances	B-2	\$ 1,178.95	\$ 5,721.48
Reserve for Animal Control Expenditures	B-4	43,165.41	50,995.51
Due to State of New Jersey	B-5	57.20	6.20
Prepaid License Fees	B-10	16,486.54	16,341.20
		<u>60,888.10</u>	<u>73,064.39</u>
Trust Other Fund:			
Reserve for Encumbrances	B-3	166,088.91	72,828.71
Various Reserves	B-9	13,002,609.32	12,434,240.25
Interfund - Current Fund	B-11		341,751.44
		<u>13,168,698.23</u>	<u>12,848,820.40</u>
Open Space Trust Fund:			
Reserve for Open Space Expenditures	B-7	255,606.65	249,826.05
		<u>255,606.65</u>	<u>249,826.05</u>
		<u>\$ 13,485,192.98</u>	<u>\$ 13,171,710.84</u>

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

As of December 31,

<b>ASSETS</b>	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
Cash	C-2/C-3	\$ 25,503.64	\$ 41,822.27
Investments	C-2	5,307,110.53	7,163,574.46
Due from NJ DCA Demolition Loan	C-4	212,400.00	212,400.00
Prospective Assessments Raised by Taxation	C-5	299,300.00	
Deferred Charges to Future Taxation:			
Funded	C-6	87,155,499.31	90,858,737.47
Unfunded	C-7	43,666,322.50	45,276,272.50
		<u>\$ 136,666,135.98</u>	<u>\$ 143,552,806.70</u>
 <b>LIABILITIES, RESERVES AND FUND BALANCE</b>			
General Serial Bonds	C-8	\$ 86,185,000.00	\$ 89,760,000.00
Bond Anticipation Notes	C-9	15,211,155.00	19,565,050.00
Green Trust Loans Payable	C-10	349,213.90	411,341.95
Capital Improvement Fund	C-11	27,137.05	41,437.05
Improvement Authorizations:			
Funded	C-12	1,019,133.99	2,342,247.86
Unfunded	C-12	22,347,461.26	20,347,929.78
Reserve for Encumbrances	C-13	6,615,668.74	6,661,954.99
Dam Restoration Loan Payable	C-14	471,285.41	507,395.52
N.J. Department of Community Affairs			
Demolition Bond Loan Payable	C-15	150,000.00	180,000.00
Reserve for Payment of Debt Service	C-16	1,772,059.84	1,772,059.84
Reserve for Prospective Assessments			
Raised by Taxation	C-5	299,300.00	
Fund Balance	C-1	2,218,720.79	1,963,389.71
		<u>\$ 136,666,135.98</u>	<u>\$ 143,552,806.70</u>

There were bonds and notes authorized but not issued on December 31, 2022 of \$28,455,383.40, Exhibit C-17.

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>		
Balance, December 31, 2021	C		\$ 1,963,389.71
Increased by:			
Premium on Sale of Bond Anticipation Notes	C-2	\$ 184,670.00	
Premium on Bond Issue	C-2	50,654.62	
Premium on Special Assessment Bond Issue	C-2	<u>20,006.46</u>	
			<u>255,331.08</u>
Balance, December 31, 2022	C		<u><u>\$ 2,218,720.79</u></u>

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

GENERAL FIXED ASSET ACCOUNT GROUP  
 COMPARATIVE STATEMENTS OF GENERAL FIXED ASSETS  
 REGULATORY BASIS

As of December 31,

	<u>Ref.</u>	<u>2022</u>	<u>2021</u>
General Fixed Assets:			
Land	D-1	\$ 29,788,350.17	\$ 29,490,935.82
Buildings and Improvements	D-1	21,420,906.02	21,406,930.98
Furniture, Fixtures and Equipment	D-1	<u>35,820,907.75</u>	<u>35,176,747.76</u>
		<u>\$ 87,030,163.94</u>	<u>\$ 86,074,614.56</u>
 Investments in General Fixed Assets	 D-1	 <u>\$ 87,030,163.94</u>	 <u>\$ 86,074,614.56</u>

The accompanying notes are an integral part of this statement.

**TOWNSHIP OF BRICK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 1**    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This report includes the financial statements of the Township of Brick (the “Township”), within the County of Ocean, in the State of New Jersey, and reflects the activities of the municipality which is under the control of the Mayor and Township Council. The financial statements of the Board of Education, First Aid Organizations and Fire Districts are reported separately based on management’s interpretation of Governmental Accounting Standard Board (“GASB”) Standard No. 61.

**A. Reporting Entity**

The Governmental Accounting Standards Board (“GASB”) has established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. The Division of Local Government Services, Department of Community Affairs, State of New Jersey (“Division”) requires the financial statements of the Township of Brick (“Township”) to be reported separately.

The Township is an instrumentality of the State of New Jersey, established to function as a municipality. The Township Council consists of elected officials and is responsible for the fiscal control of the Township.

The financial statements of the Township include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Township do not include the operations of other organizations, inasmuch as their activities are administered by separate boards.

**B. Basis of Presentation and Basis of Accounting**

The financial statements are presented on the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

The GASB Codification also defines the financial statements of a governmental unit to be presented in general purpose financial statements in accordance with GAAP. The Township presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP.

In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

The accounting principles and practices prescribed for municipalities by the Division differ in certain aspects from GAAP applicable to local governmental units. The more significant differences are as follows:

A modified accrual basis is followed with minor exceptions.

Fund Accounting:

Current Fund - Records resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

**TOWNSHIP OF BRICK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Basis of Presentation and Basis of Accounting (continued)**

Trust Fund - Records the receipts, custodianship, and disbursements of monies in accordance with the purpose for which each reserve was created.

General Capital Fund - Records the receipt and disbursement of funds for the acquisition of general capital infrastructure and other capital facilities, other than those acquired in the Current Fund. General bonds and notes payable are recorded in this fund and are offset by deferred charges to future taxation.

General Fixed Assets Account Group - Utilized to account for land, buildings, machinery, equipment and vehicles that have been acquired by other governmental funds.

Budgets and Budgetary Accounting - The Township of Brick must adopt an annual budget in accordance with N.J.S.A. 40A:4-4 et al. N.J.S.A. 40A:4-5 which requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall 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 circulated 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.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division, 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.

**C. Cash and Cash Equivalents**

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 the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of securities which may be purchased by New Jersey municipal units.

The Township of Brick is required to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("Act"). The Act was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-42 requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

Public funds are defined as the funds of any government unit. Public depositories include banks (both state and national banks), savings and loan institutions and savings banks, the deposits of which are federally insured. All public depositories pledge collateral, having a market value of five percent of the average daily

**TOWNSHIP OF BRICK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Cash and Cash Equivalents (continued)**

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 in the collateral pool, is available to pay the full amount of their deposits to the governmental units.

The Township considers highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents.

**D. Investment in NJ/ARM**

Valuation of Investments

In accordance with the authoritative guidance on fair value measurements and disclosures under GASB 72, the NJ/ARM (“Fund”) discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure their fair value. The hierarchy gives the highest priority to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurement) and the lowest priority to valuations based upon unobservable inputs that are significant to the valuation (Level 3 Measurements). The guidance establishes three levels of the fair value hierarchy as follows:

Level 1 - Quoted prices in active markets for identical assets.

Level 2 - Inputs other than quoted prices that are observable for the asset, including quoted prices for similar investments based on interest rates, credit risk and like factors.

Level 3 - Unobservable inputs for the assets, including the Fund’s own assumptions for determining fair value.

The Fund’s investments are assigned a level based upon the observability of the inputs which are significant to the overall valuation. In accordance with GASB 79, the Fund’s securities are valued at amortized cost, which approximates fair value. GASB 79 requires a comparison of the Fund’s investments on an amortized cost basis to fair values determined on a market value basis at least monthly. The market prices used to determine fair values in this comparison are derived from closing bid prices as of the last business day of the month as supplied by third-party pricing services. Where prices are not available from these generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. GASB 72 provides that investments in a Rule 2a-7-like external investment pool should be measured at Net Asset Value.

Share Valuation and Participant Transactions

The net asset value (“NAV”) per share of the Fund is calculated as of the close of business each business day by dividing the net position of the Fund by the number of outstanding shares. It is the Fund’s objective to maintain a NAV of \$1.00 per share, however, there is no assurance that this objective will be achieved. The



**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Investment in NJ/ARM (continued)**

Share Valuation and Participant Transactions

exact price for share transactions will be determined based on the NAV next calculated after receipt of a properly executed order. The number of shares purchased or redeemed will be determined by the NAV.

**E. Inventories of Supplies**

The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The inventories have offsetting reserve amounts.

**F. Property Taxes and Other Revenues**

Property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Township's Current Fund. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts. Property taxes are payable quarterly on the first day of February, May, August and November.

**G. Grant Revenue and Expenditures**

Federal and State grants, entitlement or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's budget. GAAP requires such revenues to be recognized in the accounting period when they are earned and the expenditures to be recognized when the liability is incurred.

**H. Property Acquired for Taxes**

Property acquired for taxes is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the general fixed assets account group at its market value.

**I. Interfunds**

Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

**J. Deferred Charges**

The regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories, overexpenditures and emergency appropriations. Overexpenditures occur when

**TOWNSHIP OF BRICK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**J. Deferred Charges (continued)**

expenditures recorded as “paid or charged” exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the respective balance sheet. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance. The status of deferred charges at December 31, 2022 is set forth in Note 9.

**K. Appropriation Reserves**

Appropriation Reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments, or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as additions to income. Appropriation reserves do not exist under GAAP.

**L. Expenditures**

Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

**M. Encumbrances**

Contractual orders at December 31, are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures under GAAP.

**N. Compensated Absences**

Expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

**O. Reserve for Sale of Municipal Assets**

Cash proceeds from the sale of Township owned property may be reserved until utilized as an item of anticipated revenue in a subsequent year budget. Year end balances of such proceeds would be reported as a cash liability in the Current Fund. GAAP requires that revenue be recognized in the accounting period that the terms of sales contracts become legally enforceable.

**TOWNSHIP OF BRICK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**P. 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 asset 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's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$3,000.00, the maximum amount allowed by the Circular is \$5,000.00. Generally, assets are valued at historical cost; however, assets acquired prior to June 30, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at 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 asset group of accounts, reflecting the activity for the fiscal 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 include 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. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

**Q. Comparative Data**

Comparative total data for the various funds for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations and Change in Fund Balance in order to provide an understanding of changes in the Township's financial position. However, Comparative Statements of Revenue and Statements of Expenditures have not been presented since this inclusion would make the statements unduly complex and difficult to read.

**NOTE 2 CASH AND CASH EQUIVALENTS**

Deposits

At December 31, 2022, the Township's deposits had a carrying amount of \$63,515,376.74.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 2 CASH AND CASH EQUIVALENTS (continued)**

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Township’s deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“Act”). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by the Act. However, the Act does not protect intermingled trust funds such as salary withholding, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2022, the Township’s bank balances of \$65,822,953.64 were exposed to custodial credit risk as follows:

Insured by FDIC	\$ 3,546,446.18
Insured by GUDPA	58,731,523.27
Uninsured and Uncollateralized	<u>3,544,984.19</u>
Total	\$ <u>65,822,953.64</u>

**NOTE 3 INVESTMENTS**

The Township has also adopted a cash management plan stating “the Finance Officer shall invest at his/her discretion in any investment instruments as approved by the State of New Jersey, Department of Community Affairs, Division of Local Government Services and in accordance with N.J.S.A. 40A:5-15.1.”

The New Jersey Asset & Rebate Management Program (the “NJ/ARM Program”, “NJ/ARM” or the “Program”) was created in 1989 as a joint investment trust under the Interlocal Services Act. NJ/ARM provides local governments in New Jersey with investment management services for capital, reserve, and general operating funds.

The NJ/ARM Joint Account provides a convenient vehicle for local governments to pool funds for short-term investment to meet daily liquidity needs.

The Joint Account portfolio is rated AAAM by Standard & Poor’s (an independent rating company) which is the highest rating available.

The Program is designed to comply with all New Jersey statutes and regulations for the permitted investment of public funds.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 3 INVESTMENTS (continued)**

At December 31, 2022, the Township had the following investments:

	<u>Fair Value</u>
NJ/ARM	<u>\$ 11,507,110.53</u>
Total investments measured at the NAV	<u>\$ 11,507,110.53</u>

Investments Measured at the Net Asset Value (NAV)

Below is prior year information, since the December 31, 2022 NJ/ARM Annual Report was not available as of the date of this audit report.

Under GASB 40, as amended, state and local governments and other municipal entities are required to disclose credit risk, concentration of credit risk, and interest rate risk for investment portfolios. The following risk disclosures of the NJ/ARM's ("Fund") investment portfolio are as of December 31, 2021.

Credit Risk

The Fund's investment policies, as outlined in its Information Statement, limit the Fund's investments to those which participants in the Fund can invest under the laws of the State of New Jersey. As of December 31, 2021, the Fund was comprised of investments which were, in aggregate, rated by Standard and Poor's ("S&P") as follows:

<u>S&amp;P Rating</u>	<u>Percentage of Portfolio</u>
AA+	32.17%
A-1+	2.62%
Exempt <sup>(1)</sup>	65.21%

<sup>(1)</sup> Represents investments in U.S. Treasury securities or repurchase agreements collateralized by U.S. Treasury securities, which are not considered to be exposed to overall credit risk per GASB.

The ratings in the preceding chart include the ratings of collateral underlying repurchase agreements in effect for the Fund at December 31, 2021. Securities with a long-term rating of A or higher are equivalent to the highest short-term category based on S&P rating methodology.

Concentration of Credit Risk

As outlined in the Fund's Information Statement, the Fund's investment policy establishes certain restrictions on investments and limitations on portfolio composition. At December 31, 2021, the Fund's portfolio included the following issuers, aggregated by affiliated issuers where applicable, which individually represented greater than 5% of the Fund's total investments portfolio:

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 3 INVESTMENTS (continued)**

Investments Measured at the Net Asset Value (NAV) (continued)

Concentration of Credit Risk (continued)

<u>Issuer</u>	<u>Percentage of Portfolio</u>
BNP Paribas Securities Corp. (NY) <sup>(1)</sup>	12.70%
Federal Farm Credit Bank Notes	18.95%
Federal Home Loan Bank Notes	8.71%
U.S. Treasury	52.51%

<sup>(1)</sup> This issuer is also counterparty to a repurchase agreement entered into by the fund. These repurchase agreements are collateralized by U.S. Treasury Securities.

Interest Rate Risk

The Fund's investment policy limits its exposure to market value fluctuations due to changes in interest rates by requiring that: (1) it maintain a dollar-weighted average maturity of not greater than sixty days; and (2) any investment securities purchased by the Fund have a remaining maturity of 397 days or less at the time of purchase or which reset, in the case of adjustable rate securities, in no greater than 397 days. At December 31, 2021, the weighted average maturity of the Fund, including cash and cash equivalents and certificates of deposit, was 39 days. The range of yields to maturity, actual maturity dates, principal values, fair values and weighted average maturities of these types of investments the Fund held at December 31, 2021 are as follows:

<u>Type of Deposits and Investments</u>	<u>Yield-to Maturity Range</u>	<u>Maturity Range</u>	<u>Principal</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Cash and Cash Equivalents	n/a	n/a	\$ 35,284,134	\$ 35,284,134	1 Day
Government Agency & Instrumentality Obligations:					
Agency Discount Notes	0.05%-0.13%	1/10/22-6/17/22	13,750,000	13,747,433	61 Days
Agency Notes	0.05%-0.44%	1/5/22-8/10/23	168,970,000	169,017,406	6 Days
U.S. Treasury Bills	0.05%-0.08%	1/20/22-3/31/22	80,000,000	79,992,727	54 Days
U.S. Treasury Notes	0.06%-0.13%	1/15/22-8/31/22	195,340,110	195,834,411	80 Days
Repurchase Agreements	0.05%	1/3/22	<u>66,700,000</u>	<u>66,700,000</u>	61 Days
Total			<u>\$ 560,044,244</u>	<u>\$ 560,576,111</u>	

The yields shown in the preceding table represent the yield-to-maturity at original cost except for adjustable rate instruments, for which the rate shown is the coupon rate in effect at December 31, 2021. The weighted average maturities shown in the preceding table are calculated based on the stated maturity dates with the following exceptions: (1) floating or variable rate securities are assumed to have an effective maturity of the date upon which the securities interest rate next resets; (2) the effective maturity of callable securities is assumed to be its stated maturity unless the security had been called as of the reporting date, in which case

**TOWNSHIP OF BRICK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 3 INVESTMENTS (continued)**

Investments Measured at the Net Asset Value (NAV) (continued)

Interest Rate Risk (continued)

the effective maturity would be assumed to be its called date; (3) for instruments subject to demand features, the effective maturity is assumed to be the period remaining until the principal amount of the security may be recovered through the demand feature; and (4) the effective maturity of cash and cash equivalents are assumed to be one day.

**NOTE 4 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 calendar years:

Comparative Schedule of Tax Rates

Tax Rate	<u>2022</u> \$ <u>2.376</u>	<u>2021</u> \$ <u>2.326</u>	<u>2020</u> \$ <u>2.296</u>
<u>Apportionment of Tax Rate</u>			
Municipal	0.776	0.757	0.742
County	0.462	0.448	0.444
Local School	1.138	1.121	1.110

Assessed Valuation

2022	\$ 10,515,320,822.00		
2021		\$ 10,468,278,338.00	
2020			\$ 10,390,198,125.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2022	\$ 256,888,176.84	\$ 253,340,889.74	98.61%
2021	250,397,046.55	247,597,386.90	98.88%
2020	245,281,298.85	242,263,053.67	98.76%

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 4 PROPERTY TAXES (continued)**

Delinquent Taxes and Tax Title Liens

Delinquent Taxes and Tax Title Liens

Year Ended December 31	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2022	\$ 743,177.36	\$ 2,912,756.33	\$ 3,655,933.69	1.42%
2021	700,866.01	2,553,211.80	3,254,077.81	1.29%
2020	667,784.52	2,692,932.90	3,360,717.42	1.37%

**NOTE 5 PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

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

<u>Year</u>	<u>Amount</u>
2022	\$8,908,700.00
2021	8,912,300.00
2020	8,905,000.00

**NOTE 6 BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

At December 31, 2022, the Township had authorized but not issued bonds and notes as follows:

General Capital Fund	<u>\$ 28,455,383.40</u>
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**NOTE 7 LONG-TERM DEBT**

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The terms of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.



**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 7 LONG-TERM DEBT (continued)**

Changes in Long Term Outstanding Debt

Transactions for the year ended December 31, 2022 are summarized as follows:

	Balance December 31, 2021	Additions	Deductions	Balance December 31, 2022
<u>General Capital Fund</u>				
Serial Bonds	\$ 89,760,000.00	\$ 10,725,000.00	\$ 14,300,000.00	\$ 86,185,000.00
Loans Payable	1,098,737.47		128,238.16	970,499.31
Bond Anticipation Notes	19,565,050.00	15,211,155.00	19,565,050.00	15,211,155.00
	<u>\$ 110,423,787.47</u>	<u>\$ 25,936,155.00</u>	<u>\$ 33,993,288.16</u>	<u>\$ 102,366,654.31</u>

As of December 31, 2022, the Township's long-term debt is as follows:

General Serial Bonds

\$4,140,000.00 2013 Pension Refunding Bonds due in an annual installment of \$610,000.00 in 2023 at an interest rate of 4.000%.	\$ 610,000.00
\$23,650,000.00 2014B General Improvement Bonds due in an annual installment of \$1,595,000.00 in 2023 at an interest rate of 3.000%.	1,595,000.00
\$23,430,000.00 2016 Refunding Bonds due in annual installments of \$2,130,000.00 to \$3,125,000.00 through 2028 at an interest rate of 4.000%.	15,835,000.00
\$24,800,000.00 2017 General Improvement Bonds due in annual installments of \$1,535,000.00 to \$2,100,000.00 through 2032 at an interest rate of 3.000%.	17,885,000.00
\$12,170,000.00 2019 General Improvement Bonds due in annual installments of \$1,155,000.00 to \$1,380,000.00 through 2029 at interest rate of 3.000%.	8,850,000.00
\$9,260,000.00 2020 General Improvement Bonds due in annual installments of \$785,000.00 to \$1,100,000.00 through 2030 at interest rates ranging from 2.000% to 3.000%.	8,085,000.00
\$5,555,000.00 2020 Refunding Bonds due in annual installments of \$100,000.00 to \$1,585,000.00 through 2029 at interest rates ranging from 0.693% to 1.649%.	5,115,000.00

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 7 LONG-TERM DEBT (continued)**

General Serial Bonds (continued)

\$17,920,000.00 2021 Refunding Bonds due in annual installments of \$1,865,000.00 to \$4,750,000.00 through 2029 at interest rates ranging from 0.400% to 1.670%.	\$ 17,485,000.00
\$10,440,000.00 2022 General Improvement Bonds due in annual installments of \$640,000.00 to \$1,230,000.00 through 2032 at interest rates ranging from 3.000% to 4.000%	10,440,000.00
\$285,000.00 2022 Special Assessment Bonds due in annual installments of \$20,000.00 to \$35,000.00 through 2032 at interests of 2.000% to 4.000%.	<u>285,000.00</u>
	<u>\$ 86,185,000.00</u>

Annual debt service for principal and interest over the next five years and five-year increments thereafter for bonded debt issued and outstanding are as follows:

Year	General Capital Fund		
	Principal	Interest	Total
2023	\$ 13,890,000.00	\$ 2,304,796.47	\$ 16,194,796.47
2024	14,140,000.00	1,925,933.10	16,065,933.10
2025	11,455,000.00	1,608,139.10	13,063,139.10
2026	9,125,000.00	1,303,053.40	10,428,053.40
2027	9,425,000.00	1,043,509.40	10,468,509.40
2028-2032	28,150,000.00	1,740,342.85	29,890,342.85
Total	\$ 86,185,000.00	\$ 9,925,774.32	\$ 96,110,774.32

Loans Payable

Green Trust Loans

As of December 31, 2022, the Township's Green Trust Loans are as follows:

\$189,373.00 loan due in semi-annual principal and interest installments of \$4,855.72 through 2031 at an interest rate of 0.000%.	\$ 82,547.24
\$800,000.00 loan due in semi-annual principal and interest installments of \$20,512.82 through 2029 at an interest rate of 0.000%	<u>266,666.66</u>
Total	<u>\$ 349,213.90</u>

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 7 LONG-TERM DEBT (continued)**

Loans Payable (continued)

Green Trust Loans (continued)

Annual debt service for principal and interest for the next five years and five-year increments thereafter for green trust loans are as follows:

Year	Green Trust Loan		
	Principal	Interest	Total
2023	\$ 50,737.08		\$ 50,737.08
2024	50,737.08		50,737.08
2025	50,737.08		50,737.08
2026	50,737.08		50,737.08
2027	50,737.08		50,737.08
2028-2031	95,528.50		95,528.50
Total	\$ 349,213.90	\$ -	\$ 349,213.90

Dam Restoration Loan

The Township, during 2014, entered into a loan agreement with the State of New Jersey, Department of Environmental Protection for a Dam Restoration Loan. The original loan was for \$741,010.00 due in semi-annual principal and interest installments of \$15,629.08 to \$22,811.07 through 2034 at an interest rate of 2.000%.

Year	New Jersey Department of Environmental Protection		
	Principal	Interest	Total
2023	\$ 36,835.92	\$ 9,242.44	\$ 46,078.36
2024	37,576.32	8,502.04	46,078.36
2025	38,331.61	7,746.76	46,078.37
2026	39,102.08	6,976.30	46,078.38
2027	39,888.03	6,190.34	46,078.37
2028-2032	211,793.56	18,598.26	230,391.82
2033-2034	67,757.89	1,359.65	69,117.54
Total	\$ 471,285.41	\$ 58,615.79	\$ 529,901.20

State of New Jersey, Department of Community Affairs, Demolition Bond Loans

The Township, during 2017, entered into an agreement with the State of New Jersey Department of Community Affairs for a Demolition Bond Loan. The maximum loan amount is \$300,000.00, to be repaid annually over a ten-year period at no interest. The proceeds of the loan will provide funding to support the demolition and disposal of unsafe buildings in the Township of Brick. As of December 31, 2022, the Township has received a total of \$87,600.00 from the State of New Jersey, Department of Community Affairs and paid back \$30,000.00 in 2018, \$30,000.00 in 2019, \$30,000.00 in 2020, \$30,000 in 2021 and \$30,000 in

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 7 LONG-TERM DEBT (continued)**

State of New Jersey, Department of Community Affairs, Demolition Bond Loans (continued)

2022. At the conclusion of the demolition and disposal of unsafe buildings project, the State of New Jersey, Department of Community Affairs and the Township will finalize the Demolition Bond Loan payable and calculate the repayment schedule. At December 31, 2022 the total amount due is \$150,000.00.

Bond Anticipation Notes

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuing of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note.

On December 31, 2022, the Township's outstanding bond anticipation notes were as follows:

<u>General Capital Fund</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Various Capital Improvements and Acquisition of Equipment	6/16/2022	6/15/2023	<u>\$ 15,211,155.00</u>	3.000%
Total			<u>\$ 15,211,155.00</u>	

**NOTE 8 SUMMARY OF MUNICIPAL DEBT**

The following schedule represents the Township's summary of debt for the current and two previous years:

	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>Issued</u>			
General Bonds, Notes and Loans	<u>\$ 101,745,368.90</u>	<u>\$ 110,423,787.47</u>	<u>\$ 114,685,580.14</u>
Total Debt Issued	<u>101,745,368.90</u>	<u>110,423,787.47</u>	<u>114,685,580.14</u>
<u>Authorized But Not Issued</u>			
General Bonds, Notes and Loans	<u>28,455,383.40</u>	<u>25,711,438.40</u>	<u>22,308,671.75</u>
Total Authorized But Not Issued	<u>28,455,383.40</u>	<u>25,711,438.40</u>	<u>22,308,671.75</u>
Net Debt Issued and Authorized But Not Issued	<u>\$ 130,200,752.30</u>	<u>\$ 136,135,225.87</u>	<u>\$ 136,994,251.89</u>

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 8 SUMMARY OF MUNICIPAL DEBT (continued)**

Summary of Statutory Debt Condition – Annual Debt Statement

The summarization statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a Statutory Net Debt of 0.993%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local District School	\$ 9,610,000.00	\$ 9,610,000.00	
General Debt	<u>130,822,037.71</u>	<u>2,071,359.84</u>	<u>\$ 128,750,677.87</u>
	<u>\$ 140,432,037.71</u>	<u>\$ 11,681,359.84</u>	<u>\$ 128,750,677.87</u>

New Jersey statutes limit the debt of a municipality to 3.500% of the average of the last three preceding year's equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2022 was 0.993% as calculated below. The Township's remaining borrowing power is 2.507%.

Net Debt \$128,750,677.87 divided by Equalized Valuation basis per N.J.S.A. 40A:2-6 as amended \$12,965,025,911.00 = 0.993%.

Borrowing Power under N.J.S.A. 40A:2-6 as amended

3 1/2 % of Equalized Valuation Basis	\$ 453,775,906.89
Net Debt	<u>128,750,677.87</u>
Remaining Borrowing Power	<u>\$ 325,025,229.02</u>

**NOTE 9 DEFERRED CHARGES TO FUTURE TAXATION FUNDED AND UNFUNDED**

Upon the authorization of capital projects, the Township establishes deferred charges for the cost of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to the New Jersey Statutes Annotated 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for the particular year in the current budget. As funds are raised, the deferred charges are reduced.

**NOTE 10 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS**

As discussed in Note 1, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2022, there were no deferred charges.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 11 TAXES COLLECTED IN ADVANCE**

Taxes collected in advance set forth as cash liabilities in the financial statements, are as follows:

	2022	2021
Prepaid Taxes	\$ 1,453,620.21	\$ 1,710,788.26

**NOTE 12 ASSESSMENT AND COLLECTION OF PROPERTY TAXES**

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1<sup>st</sup> in each year and filed with the County Board of Taxation (“Board”) by January 10<sup>th</sup> of the following year. Upon the filing of certified adopted budgets by the Township, Local School District and County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 20<sup>th</sup>, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector (“Collector”) on or before June 3<sup>rd</sup>. Tax bills are prepared then mailed by the Collector of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1<sup>st</sup> and November 1<sup>st</sup> of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the prior year’s tax. The preliminary payments are due and payable on February 1<sup>st</sup> and May 1<sup>st</sup>. The N.J. Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% or 18% of the amount delinquent. If taxes are delinquent as of the eleventh day of the eleventh month of the fiscal year, the delinquent amount is subject to “Tax Sale” which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1<sup>st</sup> of the current tax year even though the amount due is not known.

**NOTE 13 LOCAL SCHOOL DISTRICT TAXES**

Local District School Taxes have been raised and liabilities deferred. Section 13 of P.L. 1991, C. 63 provides that any municipality that levies school taxes on a school year basis may defer from the municipal purposes tax levy 50% (fifty percent) of the levy. The amounts so deferred shall be regarded as fund balance and shall be used to offset the local property tax levy for local purposes.

At year end, taxes due consisted of the following:

	Local District School Tax Balance December 31,	
	2022	2021
Balance of Tax	\$ 59,829,366.57	\$ 58,678,636.50
Deferred	48,101,765.57	48,101,765.57
	\$ 11,727,601.00	\$ 10,576,870.93

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 14 FUND BALANCES APPROPRIATED**

The following schedules detail the amount of fund balances available at the end of the current year and the previous four years and the amounts utilized in the subsequent year's budgets:

Current Fund		
Year	Balance December 31	Utilized in Budget of Succeeding Year
2022	\$ 22,154,047.55	(1) \$ 11,497,148.69
2021	23,709,468.11	9,950,000.00
2020	16,645,415.03	9,918,843.81
2019	20,752,539.66	11,931,473.01
2018	18,355,046.48	8,546,711.79

(1) The 2023 municipal budget has not been adopted as of the date of this audit.

**NOTE 15 PENSION PLANS**

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

Below is prior year information, since the June 30, 2022 State of New Jersey Public Employees' Retirement System, Schedule of Employer and Nonemployer Allocations and Schedule of Pension Amounts by Employer and Nonemployer was not available as of the date of this audit report.

**General Information About the Plan** - A substantial number of the Township's employees participate in the Public Employees' Retirement System ("PERS") which is administered by the New Jersey Division of Pensions and Benefits (the "Division").

Each of the aforementioned plans has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS plans' fiduciary net position which can be obtained at the following website:

<https://www.state.nj.us/treasury/pensions/annual-reports.shtml>

**Plan Description** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Township, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

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, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

**TOWNSHIP OF BRICK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Plan Description (continued)**

The following represents the membership tiers for PERS:

Tier Definition

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

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

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2022. The Township's contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2021 was 16.31% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the fiscal year, including an additional amount to finance any unfunded accrued liability.

The Township's contractually required contribution to the pension plan for the year ended December 31, 2022 has not been determined as of the date of this audit but will be payable by April 1, 2023. Due to the basis of accounting described in note 1, no liability is required to be recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2021, the Township's contractually required contribution to the pension plan for the year ended December 31, 2021 was \$3,001,812.00, which was paid on April 1, 2022.

Employee contributions to the plan during the year ended December 31, 2022 were \$1,396,763.24.

**Components of Net Pension Liability** - At December 31, 2021, the Township reported a liability of \$30,365,016 for its proportionate share of the PERS net pension liability. The net pension liability was



**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Components of Net Pension Liability (continued)**

measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The Township's proportion measured as of June 30, 2021, was 0.2563205885% which was an increase of 0.0070233547% from its proportion measured as of June 30, 2020.

**Pension Liabilities, Pension (Benefit) Expense and Deferred Outflows/Inflows of Resources Related to Pensions** - At December 31, 2021, the Township reported deferred outflows of resources and deferred inflows of resources related to the PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 478,895	\$ 217,378
Changes in Assumptions	158,141	10,810,143
Changes in Proportion	2,463,130	1,439,558
Net Difference between Projected and Actual Earnings on Pension Plan Investments		7,998,943
	<u>\$ 3,100,166</u>	<u>\$ 20,466,022</u>

The Township will amortize the above sources of deferred outflows and inflows related to the PERS over the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan with the exception of net differences between projected and actual earnings on pension plan investments which will be amortized over 6 years. The average of the expected remaining service lives of all employees are 5.13, 5.16, 5.21, 5.63, 5.48 and 5.57 for the years 2021, 2020, 2019, 2018, 2017 and 2016 respectively.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Pension Liabilities, Pension (Benefit) Expense and Deferred Outflows/Inflows of Resources Related to Pensions (continued)**

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

Year Ending December 31,	Amount
2022	\$ (8,741,085)
2023	(9,276,615)
2024	(7,720,076)
2025	(4,823,651)
2026	(294,841)
	\$ (30,856,268)

**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 rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00% - 6.00% Based on Years of Service
Thereafter	3.00% - 7.00% Based on Years of Service
Investment Rate of Return	7.00%

Preretirement 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

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Actuarial Assumptions (continued)**

females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
U.S. equity	27.00%	8.09%
Non U.S. developed markets equity	13.50%	8.71%
Emerging markets equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	36.75%
Private Credit	8.00%	7.60%
Investment Grade Credit	8.00%	1.68%
Cash Equivalents	4.00%	50.00%
U.S. Treasuries	5.00%	95.00%
Risk Mitigation Strategies	<u>3.00%</u>	3.35%
	<u>100.00%</u>	

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of actuarially determined contributions. 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 as of June 30, 2021 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 was calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Township's Proportionate Share of the Net Pension Liability	<u>\$ 41,350,994</u>	<u>\$ 30,365,016</u>	<u>\$ 21,041,856</u>

**Supplementary Pension Information** – In accordance with GASB 68, the following information is also presented for the PERS Pension Plan. These schedules are presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Supplementary Pension Information (continued)**

**Schedule of the Township's Proportionate Share of the Net Pension Liability (Last 8 Plan Years):**

	2014	2015	2016	2017	2018	2019	2020	2021
Township's proportion of the net liability	0.2129628476%	0.2211270993%	0.2328808265%	0.2456314444%	0.2576173190%	0.2597381393%	0.2492972338%	0.2566320589%
Township's proportionate share of the net pension liability	\$ 39,872,470	\$ 49,638,603	\$ 68,972,621	\$ 57,179,074	\$ 50,723,566	\$ 46,800,872	\$ 40,653,859	\$ 30,365,016
Township's covered-employee payroll	\$ 15,379,395	\$ 16,019,186	\$ 16,810,717	\$ 17,946,212	\$ 18,052,285	\$ 17,677,704	\$ 18,387,857	\$ 18,401,741
Township's proportionate share of the net pension liability as a percentage of its covered-employee payroll	259.26%	309.87%	410.29%	318.61%	280.98%	264.75%	221.09%	165.01%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Supplementary Pension Information (continued)**

**Schedule of the Township's Contributions (Last 8 Plan Fiscal Years)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Contractually Required Contribution	\$ 1,755,635	\$ 1,901,100	\$ 2,068,880	\$ 2,275,513	\$ 2,562,460	\$ 2,526,487	\$ 2,727,186	\$ 3,001,812
Contributions in Relation to the contractually Required Contribution	<u>1,755,635</u>	<u>1,901,100</u>	<u>2,068,880</u>	<u>2,275,513</u>	<u>2,562,460</u>	<u>2,526,487</u>	<u>2,727,186</u>	<u>3,001,812</u>
Contribution deficiency/(excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Township's covered-employee payroll	\$ 15,379,395	\$ 16,019,186	\$ 16,810,717	\$ 17,946,212	\$ 18,052,285	\$ 17,677,704	\$ 18,387,857	\$ 18,401,741
Contribution as a percentage of covered-employee payroll	11.42%	11.87%	12.31%	12.68%	14.19%	14.29%	14.83%	16.31%

**Notes to Schedule:**

**Changes in benefit terms:**

The June 30, 2021 measurement date included one change to the plan provisions. Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the defined contribution retirement program (DCRP) and regular part of PERS into the WCJ Part of PERS.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

**A. Public Employees’ Retirement System (PERS) (continued)**

**Supplementary Pension Information (continued)**

**Notes to Schedule: (continued)**

**Changes in assumptions:**

The discount rate and long-term expected rate of return used as of June 30 measurement date is as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Discount rate	7.00%	7.00%	6.85%	6.51%	6.14%	5.55%	5.79%	6.32%
Long-term expected rate of return	7.00%	7.00%	7.00%	7.00%	7.00%	7.65%	7.90%	7.90%

The mortality assumption was updated upon direction from the Division of Pensions and Benefits.

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

Below is prior year information, since the June 30, 2022 State of New Jersey Police and Firemen’s Retirement System, Schedule of Employer and Nonemployer Allocations and Schedule of Pension Amounts by Employer and Nonemployer was not available as of the date of this audit report.

**General Information About the Plan** - A substantial number of the Township's employees participate in the Police and Firemen’s Retirement System (“PFRS”), which is administered by the New Jersey Division of Pensions and Benefits (the “Division”).

Each of the aforementioned plans has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PFRS plans’ fiduciary net position which can be obtained at the following website:

<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

**Plan Description** – The Police and Firemen’s Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS’ designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Township. The PFRS’ Board of Trustees is primarily responsible for the administration of the PFRS.

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:

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Plan Description (continued)**

Tier Definition

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

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

**Contributions** - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 10.0% in State fiscal year 2022. 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.

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

The Township’s contractually required contribution rate for the year ended December 30, 2021 was 31.46% of the Township’s covered payroll. This amount was actuarially determined as the amount that when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The Township’s contractually required contribution to the pension plan for the year ended December 31, 2022 has not been determined as of the date of this audit but will be payable by April 1, 2023. Due to the basis of accounting described in note 1, no liability is required to be recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2021, the Township’s contractually required contribution to the pension plan for the year ended December 31, 2021 was \$5,742,750.00, which was paid



**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15      PENSION PLANS (continued)**

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

**Special Funding Situation (continued)**

on April 1, 2022.

Employee contributions to the Plan during the year ended December 31, 2021 were \$1,835,712.72.

The State’s contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2022 has not been determined as of the date of this audit but will be payable by April 1, 2023. Based on the PFRS measurement date of June 30, 2021, the State’s contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2021 was \$879,927.00, which was paid on April 1, 2022.

**Pension Liability** – At December 31, 2021, the Township’s and the State of New Jersey’s proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$	36,015,374
State of New Jersey's Proportionate Share of the Net Pension Liability Attributable to the Township		10,129,317
	<b>\$</b>	<b>46,144,691</b>

The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July, 2021. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. The Township’s proportion of the net pension liability was based on a projection of the Township’s Long-term share of contributions to the pension plan relative to the projected contributions of all participating employers’ and the State of New Jersey, actuarially determined. For the measurement date, the Township’s proportion was 0.4927435299%, which was a decrease of .0011896926% from its proportion measured as of June 30, 2020. Likewise, at June 30, 2021, the State of New Jersey’s proportion, on-behalf of the Township, was 0.4939332225%, which was a decrease of 0.0011894761% from its proportion measured as of June 30, 2020.

**Pension (Benefit) Expense** - As of December, 2021, the Township’s proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2021 measurement date is \$(3,988,031.00). This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2022, the Township’s contribution to PFRS was \$5,742,750.00, and was paid on April 1, 2022.

As of December 31, 2021, the State’s proportionate share of the PFRS pension (benefit) expense, associated with the Township, calculated by the Plan as of the June 30, 2021 measurement date is \$1,128,110.00. This on-behalf (benefit) expense is not recognized by the Township because of the regulatory basis of accounting as described in Note 1.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Deferred Outflows/Inflows of Resources** - At December 31, 2021, the Township had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 410,892	\$ 4,314,270
Changes in Assumptions	191,641	10,793,643
Net Difference between Projected and Actual Earnings on Pension Plan Investments		15,347,323
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	2,522,340	834,870
	\$ 3,124,873	\$ 31,290,106

The Township will amortize the above sources of deferred outflows and inflows related to PFRS over the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan with the exception of net differences between projected and actual earnings on pension plan investments which will be amortized over 5 years. The average of the expected remaining service lives of all employees are 6.17, 5.90, 5.92, 5.73, 5.59 and 5.58 for the years 2021, 2020, 2019, 2018, 2017 and 2016 amounts, respectively.

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

Year Ending December 31,	Amount
2022	\$(13,069,105)
2023	(12,436,246)
2024	(10,638,100)
2025	(8,858,185)
2026	(2,479,286)
2027	(421,480)
	\$(47,902,402)

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Actuarial Assumptions** - The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation Rate:	2.75%
Salary increases:	
Through all future years	3.25 – 15.25% based on years of service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries, the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% 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.

**Long-Term Expected Rate of Return** - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Long-Term Expected Rate of Return (continued)**

Best estimates of arithmetic rates of return for each major asset class included in PFRS’s target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
U.S. equity	27.00%	8.09%
Non U.S. developed markets equity	13.50%	8.71%
Emerging markets equity	5.50%	10.96%
Private Equity	13.00%	11.30%
Real Estate	8.00%	9.15%
Real Assets	3.00%	7.40%
High Yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment Grand Credit	8.00%	1.68%
Cash Equivalents	4.00%	50.00%
U.S. Treasuries	5.00%	95.00%
Risk Mitigation Strategies	3.00%	3.35%
	100.00%	

**Discount Rate** - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 2.16% as of June 30, 2021 measurement date based on 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. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make 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 or 1-percentage-point higher than the current rate:

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Sensitivity of the Township’s proportionate share of the Net Pension Liability to Changes in the Discount Rate (continued)**

	<u>1% Decrease (6.00%)</u>	<u>Current Decrease (7.00%)</u>	<u>1% Increase (8.00%)</u>
Township's Proportionate Share of the Net Pension Liability	\$ 5,468,822	\$ 36,015,374	\$ 20,472,247
State of New Jersey's Proportionate Share of Net Pension Liability Affiliated with the Township	<u>1,538,105</u>	<u>10,129,317</u>	<u>5,757,816</u>
	<u>\$ 7,006,927</u>	<u>\$ 46,144,691</u>	<u>\$ 26,230,063</u>

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

**Supplementary Pension Information** – In accordance with GASB 68, the following information is also presented for the PFRS Pension Plan. These schedules are presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Supplementary Pension Information (continued)**

**Schedule of the Township’s Proportionate Share of the Net Pension Liability (Last 8 Plan Years):**

	2014	2015	2016	2017	2018	2019	2020	2021
Township's proportion of the net liability	0.4556759477%	0.4600781346%	0.4654600829%	0.4569739719%	0.4821218082%	0.4991019815%	0.4939332225%	0.4927435299%
Township's proportionate share of the net pension liability	\$ 57,319,808	\$ 76,632,980	\$ 88,914,782	\$ 70,547,947	\$ 65,239,029	\$ 61,079,196	\$ 63,822,687	\$ 36,015,374
State's proportionate share of the net pension liability associated with the Township	6,172,380	6,720,455	7,466,636	7,901,964	8,861,643	9,644,521	9,904,990	101,129,317
Total	<u>\$ 63,492,188</u>	<u>\$ 83,353,435</u>	<u>\$ 96,381,418</u>	<u>\$ 78,449,911</u>	<u>\$ 74,100,672</u>	<u>\$ 70,723,717</u>	<u>\$ 73,727,677</u>	<u>\$ 137,144,691</u>
Township's covered-employee payroll	\$ 14,614,082	\$ 14,838,539	\$ 14,928,227	\$ 15,961,456	\$ 16,856,724	\$ 17,055,108	\$ 17,721,429	\$ 18,251,478
Township's proportionate share of the net pension liability as a percentage of its covered-employee payroll	392.22%	516.45%	595.62%	441.99%	387.02%	358.13%	360.14%	197.33%
Plan fiduciary net position as a percentage of the total pension liability	62.41%	56.31%	52.01%	58.60%	62.48%	65.00%	63.52%	77.26%

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Supplementary Pension Information (continued)**

**Schedule of the Township’s Contributions (Last 8 Plan Fiscal Years):**

	2014	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 3,499,906	\$ 3,739,749	\$ 3,795,085	\$ 4,044,304	\$ 4,713,451	\$ 5,041,482	\$ 5,518,078	\$ 5,742,750
Contributions in Relation to the contractually Required Contribution	3,499,906	3,739,749	3,795,085	4,044,304	4,713,451	5,041,482	5,518,078	5,742,750
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Township's covered-employee payroll	\$ 14,614,082	\$ 14,838,539	\$ 14,928,227	\$ 15,961,456	\$ 16,856,724	\$ 17,055,108	\$ 17,721,429	\$ 18,251,478
Contribution as a percentage of covered-employee payroll	23.95%	25.20%	25.42%	25.34%	27.96%	29.56%	31.14%	31.46%

**Notes to Schedule:**

**Changes in benefit terms:**

None

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 15 PENSION PLANS (continued)**

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

**Notes to Schedule: (continued)**

**Changes in assumptions:**

The discount rate and long-term expected rate of return used as of June 30 measurement date is as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Discount rate	7.00%	7.00%	6.85%	6.51%	6.14%	5.55%	5.79%	6.32%
Long-term expected rate of return	7.00%	7.00%	7.00%	7.00%	7.00%	7.65%	7.90%	7.90%

The mortality assumption was updated upon direction from the Division of Pensions and Benefits.

**NOTE 16 DEFERRED COMPENSATION PLANS**

The Township of Brick offers its employees a Deferred Compensation Plan created in accordance with the provisions of N.J.S. 43:15B-1 et seq., and the Internal Revenue Code, Section 457. The plan, available to all municipal employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the Plan, all property and rights purchased with the amounts, and all income attributable to these amounts are for the exclusive benefit of the Plan participants and their beneficiaries and the assets cannot be diverted to any other purpose. The Township serves as Trustee under the Plan.

**NOTE 17 DEFINED CONTRIBUTION RETIREMENT PROGRAMS**

The Defined Contribution Retirement Program (“DCRP”) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007. The program provides eligible members, with a minimum base salary of \$5,000 or more, with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

This retirement program is a pension system where the value of the pension is based on the amount of the contribution made by the employee and employer through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax-deferred salary placed into an account that the employee manages through investment options provided by the employer.

The law required that 3 classes of employees enroll in the DCRP, detailed as follows:

- All elected officials taking office on or after July 1, 2007, except that a person who is re-elected



**TOWNSHIP OF BRICK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 17 DEFINED CONTRIBUTION RETIREMENT PROGRAMS (continued)**

- to an elected office held prior to that date without a break in service may remain in the PERS.
- A Governor appointee with the advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.
- Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body which include the statutory untenured chief administrative officer such as the Business Administrator, County Administrator or Municipal or County Manager, Department Heads, Legal Counsel, Municipal or County Engineer, Municipal Prosecutor and the Municipal Court Judge.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain in the PERS.

Contributions made by employees for the DCRP are currently 5.5% of their base wages. Member contributions are matched by a 3.0% employer contribution.

**NOTE 18 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS ("OPEB")**

**Plan description** - the Township provides post-employment health care benefits (OPEB) for retired employees by administering a single-employer defined benefit plan ("the Plan") in accordance with New Jersey Statute 40A:10-23. No assets are accumulated in a trust that meets the criteria in paragraph 4 of statement 75. The costs of the plan are funded on a pay-as-you-go basis. The Township does not issue a separate financial report for the retiree healthcare plan.

**Benefits provided** - the plan provides medical, prescription drug, dental and vision benefits to eligible retirees. Benefit provisions are established through collective bargaining agreements and other Township agreements.

**Eligibility requirements** - township employees are eligible for medical and pharmacy coverage upon retirement from active service after completing 25 years of service in the New Jersey Public Employees Retirement System. They are eligible for medical and pharmacy coverage upon disability retirement or death while in active service after completing 10 years of service. They are not eligible for dental and vision benefits. Retiree coverage continues for the life of the retiree. Spouse and surviving spouse coverage continue for the life of the spouse. Dependent child coverage continues until age 26 for full-time students.

Members of the police department are eligible for all coverage upon retirement from active service after completing 25 years of service in the New Jersey Police and Fire Retirement System. They are eligible for all coverages upon disability retirement or death while in active service after completing 10 years of service. Retiree coverage continues for the life of the retiree. Spouse and surviving spouse coverage continue for the life of the spouse. Dependent child coverage continues until age 26 for full-time students.

**Contribution rates** - rates for future retirees will be based on the State of New Jersey new contribution formula per implementation of Chapter 78. Contributions are calculated using a varying formula based on the retirees' base salary at retirement with a minimum contribution of 1.5% of base salary. Active employees hired prior to implementation of Chapter 78 (June 28, 2011) with less than twenty (20) years of service at

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 18 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (“OPEB”)**

**Contribution rates (continued)**

implementation had their contribution phased in over a four-year period. Employees hired on or after June 28, 2011 will have their contribution set at the highest year four contribution level. As the four-year phase in period has expired, all active employees’ contribution level is set at the highest level.

Contributions for non-PBA current retirees and future retirees with twenty (20) or more years of service at June 28, 2011 are 0% (non-contributory) (i.e., the Township pays 100% of the benefit cost). PBA employees retiring on or after CY 2019 have a fixed contribution towards healthcare benefits. Contributions for PBA retirees prior to CY 2019 are 0% (non-contributory).

Employee contributions for the year ended December 31, 2022 were \$2,196,389.28.

**Employees covered by benefit terms** - At December 31, 2022 the following employees were covered by the benefit terms:

Retired Employees or Beneficiaries Currently Receiving Benefits Payments	308
Active employees	<u>413</u>
	<u>721</u>

**Total OPEB Liability** - The Township’s OPEB liability of \$362,400,028 was measured as of December 31, 2022, and was determined by an actuarial valuation of that date.

**Actuarial Assumptions and other inputs** - The total OPEB Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3% average salary increase for entry age normal
Discount Rate	4.18%
Healthcare cost trend rates	7% decreasing 0.25% per year to an ultimate rate of 4.5% for 2034 and later years
Retirees’ share of benefit related costs	Based on Chapter 78 contribution formulas for PERS and PFRS

The selected discount rate is based on the prescribed discount interest rate methodology under GASB No. 74/75 using an average of two 20-year municipal bond indices (e.g., S&P Municipal Bond - 20 Year High Grade Rate Index - 4.31% and Fidelity GO AA 20 years - 4.05%) as of December 31, 2022.

Mortality rates are based on Society of Actuaries Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount-Weighted Mortality tables based on Employee and Healthy Annuitant Tables for both pre and post retirement projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2021.

Valuation is based on the decrement tables from the New Jersey Public Employees’ Retirement System (PERS) and the New Jersey Police and Firemen’s Retirement System (PFRS). Decrement tables used in this valuation are from the July 1, 2020 Annual Report of the Actuary for both PERS and PFRS.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 18 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (“OPEB”) (continued)**

**Changes in the Total OPEB Liability**

		<u>Total OPEB Liability</u>
Balance at December 31, 2021		\$ 514,209,723
Additions:		
Annual service cost	\$ 4,990,745	
Interest	<u>21,256,461</u>	
		<u>26,247,206</u>
		540,456,929
Less:		
Benefits payments	11,363,910	
Changes in Assumptions	<u>166,692,991</u>	
		<u>178,056,901</u>
Balance at December 31, 2022		<u>\$ 362,400,028</u>

**Sensitivity of the total OPEB liability to changes in the discount rate** - The following presents the total OPEB liability of the Township, as well as what the Township’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.18) or 1-percentage-point higher (5.18) than the current discount rate:

	<u>1% Decrease (3.18)</u>	<u>Discount Rate (4.18%)</u>	<u>1% Increase (5.18%)</u>
Total OPEB Liability	\$ 436,297,349	\$ 362,400,028	\$ 306,551,956

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate** - The following presents the total OPEB liability of the Township, as well as what the Township’s total OPEB liability would be if it were calculated using a healthcare cost trend rates that are 1-percentage-point lower (6% decreasing to 3.5%) or 1-percentage-point higher (8% decreasing to 5.5%) than the cost of inflation:

	<u>1% Decrease (6% decreasing to 3.5%)</u>	<u>Healthcare Cost Trend Rates (7% decreasing to 4.5%)</u>	<u>1% Increase (8% decreasing to 5.5%)</u>
Total OPEB Liability	\$ 304,082,005	\$ 362,400,028	\$ 439,638,731

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 18 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (“OPEB”) (continued)**

**OPEB (Benefit) Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** - For the year ended December 31, 2022, the Township recognized OPEB (benefit) expense of \$4,990,745. At December 31, 2022 the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	\$ -	\$ 166,692,991
	\$ -	\$ 166,692,991

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB (benefit) expense as follows:

Year Ending December 31,	Amount
2022	\$ (9,862,319)
2023	(9,862,319)
2024	(9,862,319)
2025	(9,862,319)
2026	(22,126,536)
Thereafter	(56,061,541)
	\$ (117,637,353)

**Supplementary Pension Information** - In accordance with GASB 75, the following information is also presented for OPEB. These schedules are presented to illustrate the requirement to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 18 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (“OPEB”) (continued)**

**Supplementary Pension Information (continued)**

**Schedule of Changes in the Township’s Total OPEB Liability and Related Ratios (unaudited) Last 5 Fiscal Years:**

	Plan Measurement Date June 30,				
	2022	2021	2020	2019	2018
Service Cost	\$ 4,990,745	\$ 9,512,122	\$ 9,327,269	\$ 4,977,210	\$ 4,035,665
Interest	21,256,461	10,306,370	9,926,331	13,994,381	14,648,695
Benefit Payments	(11,363,910)	(9,778,688)	(10,851,496)	(9,416,878)	(9,509,684)
Change in Assumptions	<u>(166,692,991)</u>	<u>(3,469,167)</u>	<u>2,408,496</u>	<u>87,851,823</u>	<u></u>
Net Change in Total OPEB Liability	(151,809,695)	6,570,637	10,810,600	97,406,536	9,174,676
Total OPEB Liability-Beginning	<u>514,209,723</u>	<u>507,639,086</u>	<u>496,828,018</u>	<u>399,421,482</u>	<u>390,246,806</u>
Total OPEB Liability-Ended	<u>\$ 362,400,028</u>	<u>\$ 514,209,723</u>	<u>\$ 507,638,618</u>	<u>\$ 496,828,018</u>	<u>\$ 399,421,482</u>
Covered-Employee Payroll	\$ 39,089,204	\$ 36,568,720	\$ 36,568,720	\$ 34,295,689	\$ 31,160,224
Total OPEB Liability as a Percentage of Covered-Employee Payroll	927.11%	1406.15%	1388.18%	1448.66%	1281.83%

**Notes to Schedule:**

Changes in Benefit Terms: None

Changes in Assumptions: Discount Rate 2022 4.18%, 2021 2.05%, 2020 2.02%, 2019 2.9% and 2018 3.8%

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 18 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (“OPEB”) (continued)**

**State health Benefits Local Government Retired Employees Plan**

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities’ total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

**Employer Special Funding Allocations and Special Funding Amounts by Employer**

The State’s proportionate share of the collective net OPEB liability attributable to the Township was \$32,793,856 and \$224,828 or 0.849283% and 0.004116% of the collective net OPEB liability for the years ended December 31, 2021 and 2020, respectively. The amount of OPEB expense and the related revenue attributable to the Township was (\$4,474,844) and (\$11,192) for the years ended December 31, 2021 and 2020, respectively. The Township’s proportionate share was \$0 for the years ended 2021 and 2020 respectively.

**NOTE 19 INTERFUND BALANCES**

The composition of interfund balances as of December 31, 2022 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Federal and State Grant Fund	Current Fund	\$5,358,935.88

The balance resulted from the time lag between the dates that (1) reimbursable expenditures occur, (2) revenues/receipts are collected, and (3) payments between funds are made.

**NOTE 20 POST-CLOSURE LANDFILL COSTS**

Federal law requires the Township to perform certain inspection and monitoring functions at the landfill located in the Herbertsville section of Brick Township (the “site”) until the Environmental Protection Agency (EPA) deems the site is satisfactorily remediated. A solar field was built on the site in 2014.

Then estimated costs to monitor the landfill in accordance with the EPA approved Operations & Maintenance (O&M) Plan is \$1,500,000 over the next 10 years. The Township is obligated to budget for and pay these costs until the site is fully remediated.

**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 20 POST-CLOSURE LANDFILL COSTS (continued)**

The amount is based on an estimate of what it would cost to perform all post-closure costs as of May 19, 2017. Actual costs and the length of time required to inspect, monitor, and repair may differ from this estimate due to final approval of certain elements by the EPA, inflation, changes in technology, and changes in regulations.

**NOTE 21 FIXED ASSETS**

Fixed asset activity of the year ended December 31, 2022 was as follows:

	Balance December 31, 2021	Additions	Deductions	Balance December 31, 2022
Land	\$ 29,490,935.82	\$ 297,414.35		\$ 29,788,350.17
Buildings and Improvements	21,406,930.98	13,975.04		21,420,906.02
Machinery, Equipment and Vehicles	35,176,747.76	1,418,411.30	\$ 774,251.31	35,820,907.75
	<u>\$ 86,074,614.56</u>	<u>\$ 1,729,800.69</u>	<u>\$ 774,251.31</u>	<u>\$ 87,030,163.94</u>

**NOTE 22 RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omission; injuries to employees; and natural disaster. The Township is a member of the Ocean County Municipal Joint Insurance Fund. The joint insurance pool is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen’s compensation. The Joint Insurance Fund will be self-sustaining through member premiums. The Joint Insurance Fund participates in the Municipal Excess Liability Program which has a contract for excess liability insurance for property. The Joint Insurance Fund also purchased an excess faithful performance and employee dishonesty bond. There were no settlements in excess of insurance coverage in 2022, 2021, and 2020.

**NOTE 23 CONTINGENCIES**

A. Accrued Sick and Vacation Time - Unaudited

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 and sick pay. The Township permits certain employees within limits to accumulate unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. The Township estimated current cost of such unpaid compensation would approximate \$6,751,588.31 at December 31, 2022. In accordance with New Jersey accounting principles, this amount is not reported as an expenditure or liability in the accompanying financial statements.

**TOWNSHIP OF BRICK**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 23 CONTINGENCIES (continued)**

**B. Unemployment Compensation Insurance**

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et. seq.). The Township has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. The reserve for unemployment compensation insurance at December 31, 2022 was \$1,091,353.39.

**C. Litigation**

The Township is involved in legal and administrative proceedings and claims of various types. While any litigation contains an element of uncertainty, Township Officials, based upon the opinion of the Township's Counsel, presently believe that the outcome of each such proceeding or claim which is pending or known to be threatened, or all of them combined, will not have a material adverse effect on the Township's financial position or adversely affect the Township's ability to levy, collect, and enforce the collection of taxes or other revenue for the payment of its bonds or other obligations.

**D. Federal and State Grants**

The Township receives financial assistance from the U.S. government and the State of New Jersey 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 payment to the grantor agency. As of December 31, 2022, the Township estimates that no material liabilities will result from such audits.

**NOTE 24 TAX ABATEMENTS**

The Township negotiates tax abatements under the State of New Jersey Local Redevelopment and Housing Law (NJSA 40A:12A-1 et seq). These abatements include specifically the Five-Year Exemption and Abatement Law (NJSA 40A:21-1 et seq) and the Long-Term Tax Exemption Law (NJSA 40A:20-1 et seq). The purposes for which a tax abatement may be considered for approval in the Township encompasses residential, commercial and industrial development that addresses a need identified by the Township Redevelopment Plans, the Township Affordable Housing Plan or other specific projects as described in the above-referenced laws.

Each agreement has been negotiated pursuant to the Local Redevelopment and Housing Law which allows the municipality to abate property taxes for economic development purposes. The abatements are directed toward development within a Township designated Area in Need of Redevelopment or a property that is developed to meet designated unmet needs in the Township's Affordable Housing Program.

The Township has not made any commitments as part of the agreements other than to reduce taxes. The Township is not subject to any tax abatement agreements entered into by other governmental entities. The Township has chosen to disclose information about its tax abatement agreements.



**TOWNSHIP OF BRICK  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2022**

**NOTE 24 TAX ABATEMENTS (continued)**

In 2022, the Township maintained two (2) tax abatements which raised a total of \$125,186.24 under this program, reducing overall what would have been due from these developments from \$639,759.38 (a reduction of \$514,573.14).

- National Church Residences of Brick provides affordable housing to low- and moderate-income families and those with special needs. The PILOT agreement calls for a payment equal of 5.00% of project revenue or \$85,994.28 for the year ended December 31, 2022.
- Housing Authority of Brick provides affordable housing for low-income families. The PILOT agreement calls for a payment equal to the lesser of 10% of its net shelter rent or the approximate full real property taxes. The amount is \$33,492.50 for the year ended December 31, 2022.

**NOTE 25 SUBSEQUENT EVENTS**

The Township has evaluated subsequent events occurring after December 31, 2022 through the date of April 12, 2023 which is the date the financial statements were available to be issued.

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**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN**  
**SUPPLEMENTARY SCHEDULES**  
**YEAR ENDED DECEMBER 31, 2022**

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

CURRENT FUND  
SCHEDULE OF CASH AND INVESTMENTS - TREASURER

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ 52,821,755.85
Increased by Receipts:			
Non-Budget Revenues	A-2	\$ 2,367,218.47	
Taxes Receivable	A-6	253,467,391.43	
Revenue Accounts Receivable	A-10	15,022,432.94	
State of New Jersey (P.L. 1971, Ch. 20)	A-11	677,382.60	
Prepaid Taxes	A-13	1,453,202.17	
Tax Overpayments	A-14	248,189.44	
Marriage License Fees	A-18	5,925.00	
DCA Surcharge	A-19	141,335.00	
Interfunds	A-20	8,477,402.38	
Payroll Deductions Payable	A-30	57,252,097.86	
Due to County Community Service Contributions	A-33	17,367.80	
Municipal Relief Fund Aid	A-35	281,010.18	
Due to State of New Jersey - Burial Permits	A	30.00	
		<hr/>	339,410,985.27
			<hr/>
			392,232,741.12
Decreased by Disbursements:			
2022 Budget Appropriations	A-3	99,318,801.94	
2021 Appropriation Reserves	A-12	2,305,378.47	
Prior Year Revenue Refunded	A-1	15,258.62	
Prior Year Marriage License	A-1	25.00	
Prepaid Taxes	A-13	3,633.49	
Tax Overpayments	A-14	296,537.95	
County Taxes Payable	A-15	48,719,693.73	
Local School District Tax	A-16	118,507,996.93	
Special District Taxes Payable	A-17	5,985,000.00	
Marriage License Fees	A-18	8,050.00	
DCA Surcharge	A-19	141,277.00	
Interfunds	A-20	3,096,324.05	
Accounts Payable	A-22	13,635.00	
Payroll Deductions Payable	A-30	57,598,361.49	
Cafeteria Plan	A-32	679.53	
Due to County Community Service Contributions	A-33	17,367.80	
Due to State of New Jersey - Burial Permits	A	40.00	
		<hr/>	336,028,061.00
			<hr/>
Balance, December 31, 2022	A-4		\$ 56,204,680.12
			<hr/>
Cash	A		\$ 50,004,680.12
Investments	A		6,200,000.00
			<hr/>
	A-4		\$ 56,204,680.12
			<hr/>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF CASH - CHANGE FUND

	<u>Ref.</u>	
Balance December 31, 2022 and 2021	A	<u>\$ 4,750.00</u>

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

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

Year	Balance	2022 Levy	Collections		Tax	Transferred	P.L. 1971,	Canceled, Remitted or Abated	Balance
	December 31, 2021		2021	2022	Overpayments Applied	to Tax Title Liens	Senior Citizens and Veterans		December 31, 2022
2018	\$ 262.34								\$ 262.34
2019	3,237.80								3,237.80
2020	11,617.47			\$ 8,314.80				\$ 1.27	3,301.40
2021	<u>2,538,094.19</u>	\$ 39,804.18		<u>2,590,007.01</u>		\$ 803.68	\$ (21,526.02)	1,196.38	<u>7,417.32</u>
	2,553,211.80	39,804.18		2,598,321.81		803.68	(21,526.02)	1,197.65	14,218.86
2022		\$ 256,888,176.84	\$ 1,710,788.26	250,869,069.62	\$ 52,750.28	41,406.63	708,281.58	607,343.00	2,898,537.47
	<u>\$ 2,553,211.80</u>	<u>\$ 256,927,981.02</u>	<u>\$ 1,710,788.26</u>	<u>\$ 253,467,391.43</u>	<u>\$ 52,750.28</u>	<u>\$ 42,210.31</u>	<u>\$ 686,755.56</u>	<u>\$ 608,540.65</u>	<u>\$ 2,912,756.33</u>
	A	A-6	A-2/A-13	A-2/A-4	A-2/A-14	A-7	A-2/A-11		A
<u>Analysis of 2022 Property Tax Levy</u>			<u>Ref.</u>						
Tax Yield:									
General Purpose Tax					\$ 249,844,021.71				
Special District Taxes					6,069,146.84				
Added and Omitted Tax					<u>1,014,812.47</u>				
						<u>\$ 256,927,981.02</u>			
Tax Levy:									
Local District School Tax			A-2/A-16		119,658,727.00				
County Taxes:									
County Tax			A-15	\$ 40,867,243.35					
County Library Tax			A-15	4,021,892.42					
County Health Tax			A-15	2,123,889.76					
County Open Space Tax			A-15	1,522,976.23					
Due County for Added and Omitted Taxes			A-15	<u>193,114.19</u>					
Total County Taxes			A-2		48,729,115.95				
Special District Taxes:									
Fire District No. 1 (Amount Certified)				2,544,000.00					
Fire District No. 2 (Amount Certified)				1,960,000.00					
Fire District No. 3 (Amount Certified)				<u>1,481,000.00</u>					
			A-2/A-17		5,985,000.00				
Municipal Open Space Tax				1,050,510.06					
Due Municipal Open Space for Added and Omitted Taxes				<u>4,185.38</u>					
			A-2/A-20		1,054,695.44				
Local Tax for Municipal Purposes			A-2	80,547,357.50					
Add: Additional Tax Levied				<u>953,085.13</u>					
					<u>81,500,442.63</u>				
						<u>\$ 256,927,981.02</u>			

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
 SCHEDULE OF TAX TITLE LIENS RECEIVABLE

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ 700,866.01
Increased by:			
Transfer from Taxes Receivable	A-6	\$ 42,210.31	
Interest and Cost		<u>101.04</u>	
			<u>42,311.35</u>
Balance, December 31, 2022	A		<u><u>\$ 743,177.36</u></u>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF NON FEDERAL COST SHARE RECEIVABLE

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	A	<u>\$ 52,858.15</u>



**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
 SCHEDULE OF PROPERTY ACQUIRED FOR TAXES  
 (AT ASSESSED VALUATION)

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ 8,912,300.00
Decreased by:		
Sold in Prior Year		<u>3,600.00</u>
Balance, December 31, 2022	A	<u><u>\$ 8,908,700.00</u></u>

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
 SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

		Balance December 31, <u>2021</u>	<u>Accrued in 2022</u>	<u>Collected</u>	Balance December 31, <u>2022</u>
	<u>Ref.</u>				
Licenses					
Alcoholic Beverages Licenses	A-2		\$ 83,950.00	\$ 83,950.00	
Other	A-2		47,096.00	47,096.00	
Fees and Permits	A-2	\$ 21,663.79	416,375.62	415,747.23	\$ 22,292.18
Fines and Costs					
Municipal Courts	A-2	22,828.26	318,574.12	315,317.62	26,084.76
Interest and Costs on Taxes	A-2		611,220.06	611,220.06	
Interest on Investments and Deposits	A-2		574,061.26	574,061.26	
Bathing Beach Privileges	A-2	12,690.00	602,253.71	581,848.71	33,095.00
Energy Receipts Tax	A-2		5,387,064.00	5,387,064.00	
Uniform Construction Code Fees	A-2	165,802.00	2,630,228.00	2,563,535.00	232,495.00
EMS Service Fees	A-2		2,012,433.17	2,012,433.17	
Solar Redeveloper's Debt Service Contribution per Redeveloper Agreement	A-2		1,963,665.78	1,963,665.78	
Comcast/Verizon Franchise Tax	A-2		466,494.11	466,494.11	
American Rescue Plan	A-2		3,958,920.00	3,958,920.00	
		<u>\$ 222,984.05</u>	<u>\$ 19,072,335.83</u>	<u>\$ 18,981,352.94</u>	<u>\$ 313,966.94</u>
	<u>Ref.</u>				
	A			A-10	A
Cash Receipts	A-4			\$ 15,022,432.94	
Interfund - Federal and State Grant Fund	A-20			<u>3,958,920.00</u>	
	A-10			<u>\$ 18,981,352.94</u>	

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF DUE FROM/(TO) STATE OF NEW JERSEY - C. 20, P.L. 1971

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ 21,093.76
Increased by:			
Deductions per Tax Duplicate:			
Senior Citizens		\$ 127,500.00	
Veterans		552,750.00	
Deductions Allowed by Collector		30,750.00	
		711,000.00	
Less: Deductions Disallowed by Collector		2,718.42	
	A-6		708,281.58
Decreased by:			
Prior Year Deductions Disallowed by Collector	A-1/A-6	21,526.02	729,375.34
Received from State of New Jersey	A-4	677,382.60	
		698,908.62	
Balance, December 31, 2022	A		\$ 30,466.72

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY  
  
CURRENT FUND  
SCHEDULE OF APPROPRIATION RESERVES

	Balance December 31, <u>2021</u>	Reserve for <u>Encumbrances</u>	Balance After <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
<u>Operations Within CAPS</u>					
Administrative and Executive					
Salaries and Wages	\$ 12,255.38		\$ 12,255.38		\$ 12,255.38
Other Expenses	509.05	\$ 125.85	634.90	\$ 125.85	509.05
Purchasing and Contracting					
Salaries and Wages	3,680.46		3,680.46		3,680.46
Other Expenses	6,419.06	1,175.90	7,594.96	753.96	6,841.00
Human Resources					
Salaries and Wages	18,296.04		18,296.04		18,296.04
Other Expenses	62,866.91	109,119.16	171,986.07	22,249.27	149,736.80
Mayor					
Salaries and Wages	5,845.51		5,845.51		5,845.51
Other Expenses	10,169.73		10,169.73		10,169.73
Council					
Salaries and Wages	0.49		0.49		0.49
Other Expenses	1,078.29	55.95	1,134.24	55.95	1,078.29
Municipal Clerk					
Salaries and Wages	14,256.00		14,256.00		14,256.00
Other Expenses	9,734.56	1,337.41	11,071.97	1,443.56	9,628.41
Financial Administration					
Salaries and Wages	19,397.73		19,397.73		19,397.73
Other Expenses	18,962.00	8,935.95	27,897.95	17,070.95	10,827.00
Computerized Data Processing					
Salaries and Wages	5,671.13		5,671.13		5,671.13
Other Expenses	5,076.86	40,323.21	45,400.07	40,189.92	5,210.15

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY  
  
CURRENT FUND  
SCHEDULE OF APPROPRIATION RESERVES

	Balance December 31, <u>2021</u>	Reserve for <u>Encumbrances</u>	Balance After <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Tax Collector					
Salaries and Wages	\$ 11,010.12		\$ 11,010.12		\$ 11,010.12
Other Expenses	5,784.90	\$ 1,845.40	7,630.30	\$ 1,909.59	5,720.71
Tax Assessor					
Salaries and Wages	19,136.49		19,136.49		19,136.49
Other Expenses	22,539.06	98,041.95	120,581.01	13,676.95	106,904.06
Legal Services					
Other Expenses	95,774.18	4,818.00	100,592.18	18,416.55	82,175.63
Engineering					
Salaries and Wages	67,247.45		67,247.45		67,247.45
Other Expenses	32,704.16	38,812.65	71,516.81	38,149.17	33,367.64
Historic Preservation Committee					
Salaries and Wages	145.34		145.34		145.34
Other Expenses	2,250.00		2,250.00		2,250.00
<u>Land Use Administration:</u>					
Planning Board					
Other Expenses	1,716.78	240.00	1,956.78	240.00	1,716.78
Land Use					
Salaries and Wages	24,338.45		24,338.45		24,338.45
Other Expenses	385.59	573.15	958.74	643.15	315.59
Zoning Board of Adjustment					
Salaries and Wages	297.88		297.88		297.88
Other Expenses	5,543.92	30.14	5,574.06	30.14	5,543.92
Affordable Housing Agency					
Salaries and Wages	5,000.00		5,000.00		5,000.00
Other Expenses	18,183.03		18,183.03	568.50	17,614.53

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY  
  
CURRENT FUND  
SCHEDULE OF APPROPRIATION RESERVES

	Balance December 31, <u>2021</u>	Reserve for <u>Encumbrances</u>	Balance After <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
<u>Insurance:</u>					
Liability Insurance	\$ 64,066.00	\$ 9,612.10	\$ 73,678.10	\$ 12,735.14	\$ 60,942.96
Workers Compensation Insurance	4,990.00		4,990.00		4,990.00
Employee Group Insurance	551,943.00	336,003.59	887,946.59	672,816.19	215,130.40
Insurance Waiver	7,304.44		7,304.44		7,304.44
<u>Public Safety Functions:</u>					
Police Department					
Salaries and Wages	306,977.43		306,977.43	4,326.37	302,651.06
Other Expenses	1,205.81	53,055.35	54,261.16	51,896.43	2,364.73
Special Police					
Salaries and Wages	16,665.52		16,665.52		16,665.52
Other Expenses	1,069.14		1,069.14		1,069.14
Crossing Guards					
Salaries and Wages	8,389.12		8,389.12		8,389.12
Other Expenses	372.25		372.25		372.25
Explorers					
Other Expenses	245.00	3,755.00	4,000.00	3,755.00	245.00
Police Vehicles and Equipment					
Other Expenses	62.89	290,644.98	290,707.87	290,644.98	62.89
Police Dispatch/ 911					
Salaries and Wages	16,174.10		16,174.10		16,174.10
Other Expenses	1,494.00		1,494.00		1,494.00
Office of Emergency Management					
Salaries and Wages	10,766.94		10,766.94		10,766.94
Other Expenses	500.00		500.00		500.00

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF APPROPRIATION RESERVES

	Balance December 31, <u>2021</u>	Reserve for <u>Encumbrances</u>	Balance After <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
EMT Service					
Salaries and Wages	\$ 7,831.42		\$ 7,831.42		\$ 7,831.42
Municipal Prosecutor's Office					
Other Expenses	8,202.50	\$ 9,927.00	18,129.50	\$ 16,287.00	1,842.50
<u>Public Works Functions:</u>					
Streets and Road Maintenance					
Other Expenses	427,745.73	24,696.23	452,441.96	25,615.26	426,826.70
Solid Waste Collection					
Salaries and Wages	82,823.39		82,823.39		82,823.39
Other Expenses	20,532.58	16,635.31	37,167.89	21,291.31	15,876.58
Building and Grounds					
Salaries and Wages	15,500.27		15,500.27		15,500.27
Other Expenses	291,459.49	193,412.25	484,871.74	195,317.47	289,554.27
Vehicle Maintenance					
Salaries and Wages	11,452.92		11,452.92		11,452.92
Other Expenses	5,651.43	203,227.80	208,879.23	152,717.67	56,161.56
Community Services Act	250,000.00		250,000.00	235,484.88	14,515.12
Shade Tree Commission					
Salaries and Wages	145.34		145.34		145.34
Other Expenses	66.52	15.00	81.52	15.00	66.52
<u>Health and Human Services Functions:</u>					
Environmental Commission					
Salaries and Wages	105.34		105.34		105.34
Other Expenses	250.00		250.00	70.00	180.00

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF APPROPRIATION RESERVES

	Balance December 31, <u>2021</u>	Reserve for <u>Encumbrances</u>	Balance After <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Animal Control Services					
Other Expenses	\$ 6,000.00		\$ 6,000.00		\$ 6,000.00
Senior Citizens					
Salaries and Wages	13,077.77		13,077.77		13,077.77
Other Expenses	4,218.71	\$ 982.95	5,201.66	\$ 995.18	4,206.48
<u>Parks and Recreation Functions:</u>					
Recreation Services and Programs					
Salaries and Wages	1,413.58		1,413.58		1,413.58
Other Expenses	3,453.98	5,556.88	9,010.86	5,388.04	3,622.82
Maintenance of Parks					
Salaries and Wages	25,194.22		25,194.22		25,194.22
Other Expenses	4,254.70	17,039.20	21,293.90	12,835.43	8,458.47
Beach and Boardwalk Operations					
Salaries and Wages	4,804.18		4,804.18		4,804.18
Other Expenses	1,159.00		1,159.00		1,159.00
<u>Code Enforcement and Administration:</u>					
Municipal Code Enforcement					
Salaries and Wages	74,738.49		74,738.49		74,738.49
Other Expenses	19,819.96	490.70	20,310.66	8,489.45	11,821.21
<u>Utility Expenses and Bulk Purchases:</u>					
Electricity	78,210.43	62,951.02	141,161.45	69,493.98	71,667.47
Street Lighting	12,681.18	68,248.81	80,929.99	71,339.31	9,590.68
Telephone	13,598.21	3,945.19	17,543.40	12,160.94	5,382.46



**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF APPROPRIATION RESERVES

	Balance December 31, <u>2021</u>	Reserve for <u>Encumbrances</u>	Balance After <u>Transfers</u>	Paid or <u>Charged</u>	Balance <u>Lapsed</u>
Water	\$ 10,562.46		\$ 10,562.46	\$ 10,187.42	\$ 375.04
Gas	21,784.77		21,784.77	18,498.86	3,285.91
Telecommunications Costs	522.28		522.28		522.28
Gasoline	10,362.27	\$ 156,083.25	166,445.52	102,567.83	63,877.69
<u>Landfill/Solid Waste Disposal Costs:</u>					
Solid Waste Disposal Costs					
Other Expenses	58,433.09	4,471.50	62,904.59	2,042.85	60,861.74
Municipal Court					
Salaries and Wages	10,079.46		10,079.46		10,079.46
Other Expenses	6,017.60	824.39	6,841.99	617.79	6,224.20
Public Defender					
Other Expenses	36,000.00		36,000.00	5,000.00	31,000.00
<u>Uniform Construction Code - Appropriations</u>					
<u>Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):</u>					
Uniform Construction Code					
Salaries and Wages	1,059.79		1,059.79		1,059.79
Other Expenses	39,064.21	1,922.20	40,986.41	38,191.45	2,794.96
<u>Unclassified:</u>					
Deferred Charges:					
Prior Year Bills	12.00		12.00		12.00
Statutory Expenditures:					

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
 SCHEDULE OF APPROPRIATION RESERVES

	Balance December 31, <u>2021</u>	<u>Reserve for</u> <u>Encumbrances</u>	<u>Balance</u> <u>After</u> <u>Transfers</u>	<u>Paid or</u> <u>Charged</u>	<u>Balance</u> <u>Lapsed</u>
Contribution to:					
Public Employees' Retirement System	\$ 12.00		\$ 12.00		\$ 12.00
Social Security System (O.A.S.I.)	164,073.69		164,073.69		164,073.69
Short Term Disability Insurance	15,469.71		15,469.71	\$ 5,412.98	10,056.73
Police and Firemen's Retirement System of NJ	32.85		32.85		32.85
Defined Contribution Retirement Program	5,057.89		5,057.89		5,057.89
<u>Operations Excluded from CAPS</u>					
EMT Service					
Other Expenses	<u>28,596.53</u>	<u>\$ 107,973.31</u>	<u>136,569.84</u>	<u>117,295.75</u>	<u>19,274.09</u>
	<u>\$ 3,290,034.13</u>	<u>\$ 1,876,908.73</u>	<u>\$ 5,166,942.86</u>	<u>\$ 2,319,013.47</u>	<u>\$ 2,847,929.39</u>
<u>Ref.</u>	A	A-21		A-12	A-1
Cash Disbursements	A-4			\$ 2,305,378.47	
Accounts Payable	A-22			<u>13,635.00</u>	
	A-12			<u>\$ 2,319,013.47</u>	

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF PREPAID TAXES

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ 1,710,788.26
Increased by:			
Collections, 2022 Taxes	A-4	\$ 1,453,202.17	
Overpayments Applied	A-14	<u>4,051.53</u>	
			<u>1,457,253.70</u>
			3,168,041.96
Decreased by:			
Refunded	A-4	3,633.49	
Applied to Taxes Receivable	A-6	<u>1,710,788.26</u>	
			<u>1,714,421.75</u>
Balance, December 31, 2022	A		<u><u>\$ 1,453,620.21</u></u>

SCHEDULE OF TAX OVERPAYMENTS

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ 35,286.99
Increased by:			
Prior Year Revenue Refunded	A-1	\$ 125,108.88	
Cash Receipts	A-4	<u>248,189.44</u>	
			<u>373,298.32</u>
			408,585.31
Decreased by:			
Refunds	A-4	296,537.95	
Applied to Taxes Receivable	A-6	52,750.28	
Applied to Prepaid Taxes	A-13	4,051.53	
Canceled	A-1	<u>39,205.83</u>	
			<u>392,545.59</u>
Balance, December 31, 2022	A		<u><u>\$ 16,039.72</u></u>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF COUNTY TAXES PAYABLE

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ 183,691.97
Increased by:			
County Tax	A-6	\$ 40,867,243.35	
County Library Tax	A-6	4,021,892.42	
County Health Tax	A-6	2,123,889.76	
County Open Space Preservation Tax	A-6	<u>1,522,976.23</u>	
	A-1	48,536,001.76	
Due County for Added and Omitted Taxes	A-1/A-6	<u>193,114.19</u>	
			<u>48,729,115.95</u>
			48,912,807.92
Decreased by:			
Payments	A-4		<u>48,719,693.73</u>
Balance, December 31, 2022	A		<u>\$ 193,114.19</u>

Exhibit A-16

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

	<u>Ref.</u>		
Balance, December 31, 2021			
School Tax Payable	A	\$ 10,576,870.93	
School Tax Deferred		<u>48,101,765.57</u>	
			\$ 58,678,636.50
Increased by:			
Levy - School Year July 1, 2022 to June 30, 2023	A-6		<u>119,658,727.00</u>
			178,337,363.50
Decreased by:			
Payments	A-4		<u>118,507,996.93</u>
Balance, December 31, 2022			
School Tax Payable	A	11,727,601.00	
School Tax Deferred		<u>48,101,765.57</u>	
			<u>\$ 59,829,366.57</u>
<u>2022 Liability for Local District School Tax</u>			
Tax Paid	A-4		\$ 118,507,996.93
School Tax Payable, December 31, 2022	A		<u>11,727,601.00</u>
			130,235,597.93
School Tax Payable, December 31, 2021	A		<u>10,576,870.93</u>
Amount Charged to 2022 Operations	A-1		<u>\$ 119,658,727.00</u>

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
 SCHEDULE OF FIRE DISTRICT TAXES PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ -
Increased by:		
Fire Districts Tax Levy	A-1/A-6	<u>5,985,000.00</u> 5,985,000.00
Decreased by:		
Cash Disbursed	A-4	<u>5,985,000.00</u>
Balance, December 31, 2022	A	<u><u>\$ -</u></u>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF DUE TO STATE OF NEW JERSEY  
MARRIAGE LICENSE FEES

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ 2,125.00
Increased by:		
Cash Receipts	A-4	<u>5,925.00</u>
		8,050.00
Decreased by:		
Cash Disbursements	A-4	<u>8,050.00</u>
Balance, December 31, 2022	A	<u><u>\$ -</u></u>

SCHEDULE OF DUE TO STATE OF NEW JERSEY - DCA SURCHARGE

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ 14,608.00
Increased by:		
Cash Receipts	A-4	<u>141,335.00</u>
		155,943.00
Decreased by:		
Cash Disbursements	A-4	<u>141,277.00</u>
Balance, December 31, 2022	A	<u><u>\$ 14,666.00</u></u>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF INTERFUNDS

	<u>Ref.</u>	<u>Total</u>	<u>Federal and State Grant Fund</u>	<u>Trust Other Fund</u>	<u>Open Space Trust Fund</u>
Balance, December 31, 2021					
Interfunds Receivable	A	\$ 341,751.44		\$ 341,751.44	
(Interfunds Payable)	A	<u>(3,382,367.02)</u>	<u>\$(3,382,367.02)</u>	<u>                    </u>	
Increased by:					
Disbursements	A-4	3,096,324.05	2,041,628.61		\$ 1,054,695.44
Revenue Accounts Receivable	A-10	3,958,920.00	3,958,920.00		
Canceled Reserve for Grants					
Appropriated	A-1	183,559.47	183,559.47		
Grants Receivable - Budget	A-2	<u>1,466,176.09</u>	<u>1,466,176.09</u>		
		<u>8,704,979.61</u>	<u>7,650,284.17</u>	<u>                    </u>	<u>1,054,695.44</u>
Subtotal		<u>5,664,364.03</u>	<u>4,267,917.15</u>	<u>341,751.44</u>	<u>1,054,695.44</u>
Decreased by:					
Tax Levy Including Added Taxes	A-1/A-6	1,054,695.44			1,054,695.44
Collections - Treasurer:					
Trust Other	A-4	341,751.44		341,751.44	
Grants Receivable	A-4	3,792,629.66	3,792,629.66		
Grants Unappropriated	A-4	4,343,021.28	4,343,021.28		
Canceled Grants Receivable	A-1	25,026.00	25,026.00		
Grant Appropriations - Budget	A-3	<u>1,466,176.09</u>	<u>1,466,176.09</u>		
		<u>11,023,299.91</u>	<u>9,626,853.03</u>	<u>341,751.44</u>	<u>1,054,695.44</u>
Balance, December 31, 2022					
(Interfunds Payable)	A	<u>\$(5,358,935.88)</u>	<u>\$(5,358,935.88)</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Analysis of Net Charge/(Credit) to Operations</u>					
Interfunds Receivable:					
Balance, December 31, 2021	Above	<u>\$ 341,751.44</u>			
Net Charge/(Credit) to Operations	A-1	<u>\$ (341,751.44)</u>			

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
 SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ 1,876,908.73
Increased by:		
Current Appropriations Charged	A-3	2,311,846.67
		<u>4,188,755.40</u>
Decreased by:		
Transferred to Appropriation Reserves	A-12	1,876,908.73
		<u>1,876,908.73</u>
Balance, December 31, 2022	A	<u><u>\$ 2,311,846.67</u></u>

SCHEDULE OF ACCOUNTS PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ 85,000.00
Increased by:		
Transfer from Appropriation Reserves	A-12	13,635.00
		<u>13,635.00</u>
Decreased by:		
Disbursements	A-4	13,635.00
		<u>13,635.00</u>
Balance, December 31, 2022	A	<u><u>\$ 85,000.00</u></u>



**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND  
 SCHEDULE OF DUE (TO)/FROM CURRENT FUND

	<u>Ref.</u>		
Balance, December 31, 2021	A		\$ 3,382,367.02
Increased by:			
Deposited in Current Fund:			
Grants Receivable	A-24	\$ 3,792,629.66	
Grants Unappropriated	A-26	4,343,021.28	
Grants Receivable Canceled	A-24	25,026.00	
2022 Budget Appropriations	A-25	<u>1,466,176.09</u>	
			<u>9,626,853.03</u>
			13,009,220.05
Decreased by:			
Disbursed by Current Fund:			
Appropriated Reserves	A-25	2,041,628.61	
Anticipated Current Fund Revenue	A-26	3,958,920.00	
Grants Appropriated Canceled	A-25	183,559.47	
2022 Anticipated Revenue	A-24	<u>1,466,176.09</u>	
			<u>7,650,284.17</u>
Balance, December 31, 2022	A		<u><u>\$ 5,358,935.88</u></u>

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

**FEDERAL AND STATE GRANT FUND**  
**SCHEDULE OF GRANTS RECEIVABLE**

<u>Grant</u>	Balance December 31, <u>2021</u>	2022 Anticipated <u>Revenue</u>	Cash <u>Received</u>	Transfer From Grants <u>Unappropriated</u>	<u>Canceled</u>	Balance December 31, <u>2022</u>
<b>Federal</b>						
US Department of Justice:						
Bulletproof Vest Partnership Grant - 2019	\$ 28,745.07		\$ 26,778.25			\$ 1,966.82
Bulletproof Vest Partnership Grant - 2020	36,022.00		3,323.40			32,698.60
Body Worn Camera Grant - 2019	85,000.00		85,000.00			
Body Worn Camera Grant - 2022		\$ 277,168.00				277,168.00
COPS in Office Stop School Violence - 2019	469,281.00		469,281.00			
US Department of Housing and Urban Development:						
Community Development Block Grant - 2017	74,493.83		74,493.83			
Community Development Block Grant - 2019	157,774.11		156,404.40			1,369.71
Community Development Block Grant - 2020	221,830.30		11,754.36			210,075.94
Community Development Block Grant - COVID-19 Round 1	69,216.05		38,935.35			30,280.70
Community Development Block Grant - COVID-19 Round 3	390,964.76		131,475.87			259,488.89
Community Development Block Grant - 2021	296,218.00		163,823.47			132,394.53
Community Development Block Grant - 2022		310,817.00				310,817.00
NJ Department of Law and Public Safety:						
COPS in Shops Summer Incentive - 2021	4,840.00				\$ 4,840.00	
2022 Click It or Ticket		8,750.00	8,400.00		350.00	
2022 Drive Sober or Get Pulled Over Year End Holiday Crackdown		7,000.00				7,000.00
2021 Drive Sober or Get Pulled Over	5,640.00				5,640.00	
2022 Distracted Driving Crackdown Grant		24,960.00	19,440.00			5,520.00
Passed Through County of Ocean:						
2022 Senior Citizens Grant Title III B		135,574.00	135,574.00			
2022 Senior Citizens Grant Title III E		39,080.00	39,080.00			
US Fish and Wildlife Services:						
Passed Through - NJ Department of Environmental Protection						
Passed Through - County of Ocean						
Ocean County Pump Out Boat - 2022		40,000.00	31,417.54			8,582.46
Ocean County Pump Out Boat - 2021	3,954.16				3,954.16	
US Department of Homeland Security:						
Passed Through - NJ Department of Law and Public Safety:						
Passed Through - County of Ocean						
Homeland Security Grant - 2022		<u>10,000.00</u>				<u>10,000.00</u>
Total Federal	<u>1,843,979.28</u>	<u>853,349.00</u>	<u>1,395,181.47</u>		<u>14,784.16</u>	<u>1,287,362.65</u>

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

**FEDERAL AND STATE GRANT FUND**  
**SCHEDULE OF GRANTS RECEIVABLE**

<u>Grant</u>	Balance December 31, <u>2021</u>	2022 Anticipated <u>Revenue</u>	Cash <u>Received</u>	Transfer From Grants <u>Unappropriated</u>	<u>Canceled</u>	Balance December 31, <u>2022</u>
<b>State</b>						
NJ Department of Environmental Protection:						
Clean Communities Grant - 2021		\$ 169,772.88		\$ 169,772.88		
Green Acres Program - Park Improvements	\$ 1,000,000.00		\$ 1,000,000.00			
Green Acres Program Grant - 2017	1,000,000.00		1,000,000.00			
Recycling Tonnage Grant - 2019		114,998.73	114,998.73			
NJ Department of Law and Public Safety:						
Safe and Secure Communities Program - 2022		32,400.00	16,200.00			\$ 16,200.00
Safe and Secure Communities Program - 2021	16,200.00		16,200.00			
Body Armor Replacement Fund - 2022		5,656.46	5,656.46			
2022 Pedestrian Safety Grant		14,980.00				14,980.00
2021 Pedestrian Safety Grant	25,000.00		10,440.00			14,560.00
NJ Department of Community Affairs:						
Division of Housing and Community Resources-Recreational						
Recreation for Individuals with Disabilities 2022		8,800.00				8,800.00
Recreation for Individuals with Disabilities 2021	8,800.00		8,800.00			
Division of Housing and Community Resources						
Brick Senior Center 2022 Grant		200,000.00	200,000.00			
NJ Department of Transportation						
Laurelhurst Road Project - Phase I	91,938.75					91,938.75
Laurelhurst Road Project - Phase II	97,497.50					97,497.50
Cedarwood Park East	146,060.46					146,060.46
Municipal Aid Program - Roadway Elevation Broad Ave	417,028.00					417,028.00
Governor's Council on Alcoholism						
Passed through Ocean County						
Municipal Alliance Grant - SFY 2021	10,241.84				\$ 10,241.84	
Municipal Alliance Grant - SFY 2022	21,773.00		2,727.50			19,045.50
Municipal Alliance Grant - SFY 2023		21,773.00				21,773.00
Municipal Alliance Youth Leadership Grant - SFY 2023		7,371.02				7,371.02
State of New Jersey Board of Public Utilities						
Clean Energy - Community Energy Grant		10,000.00	10,000.00			
Clean Energy Electric Vehicle Tourism Grant		14,000.00				14,000.00
Total State	<u>2,834,539.55</u>	<u>599,752.09</u>	<u>2,385,022.69</u>	<u>169,772.88</u>	<u>10,241.84</u>	<u>869,254.23</u>

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND  
 SCHEDULE OF GRANTS RECEIVABLE

<u>Grant</u>	Balance December 31, <u>2021</u>	2022 Anticipated <u>Revenue</u>	Cash <u>Received</u>	Transfer From Grants <u>Unappropriated</u>	<u>Canceled</u>	Balance December 31, <u>2022</u>
<b>Other</b>						
Sustainable Jersey Grant		\$ 2,000.00	\$ 2,000.00			
New Jersey Workforce Registry		7,000.00	7,000.00			
Hiring and Retention Bonus Grant		4,075.00	3,425.50			\$ 649.50
2022 County of Ocean - Tourism Grant		13,075.00	12,425.50			649.50
Total Other		<u>13,075.00</u>	<u>12,425.50</u>			<u>649.50</u>
	<u>\$ 4,678,518.83</u>	<u>\$ 1,466,176.09</u>	<u>\$ 3,792,629.66</u>	<u>\$ 169,772.88</u>	<u>\$ 25,026.00</u>	<u>\$ 2,157,266.38</u>
<u>Ref.</u>	A	A-2/A-23	A-23	A-26	A-23	A

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

**FEDERAL AND STATE GRANT FUND**  
**SCHEDULE OF APPROPRIATED RESERVES**

<u>Grant</u>	Balance December 31, 2021	Transfer from Reserve for Encumbrances	Transfer from 2022 Budget Appropriation	Expended	Transfer to Reserve for Encumbrances	Canceled	Balance December 31, 2022
<b>Federal</b>							
US Department of Justice:							
Bulletproof Vest Partnership Grant - 2020	\$ 19,599.20	\$ 16,422.80		\$ 35,255.40			\$ 766.60
Bulletproof Vest Partnership Grant - 2019	8.32						8.32
Body Worn Camera Grant - 2019		85,000.00		85,000.00			
Body Worn Camera Grant - 2022			\$ 277,168.00				277,168.00
COPS in Office Stop School Violence - 2019	625,708.00			469,281.00		\$ 156,427.00	
US Department of Housing and Urban Development:							
Community Development Block Grant - 2017		74,493.83		74,493.83			
Community Development Block Grant - 2019	98,205.08	59,569.03		156,404.40	\$ 1,369.71		
Community Development Block Grant - 2020	221,830.30			24,555.36	31,797.00		165,477.94
Community Development Block Grant - COVID-19 Round 1	49,214.05	20,002.00		41,058.78	28,102.00		55.27
Community Development Block Grant - COVID-19 Round 3	48,974.40	341,990.36		200,400.38	172,561.98		18,002.40
Community Development Block Grant - 2021	204,199.26	92,018.74		181,323.91	17,047.00		97,847.09
Community Development Block Grant - 2022			310,817.00	7,075.00			303,742.00
US Department of Transportation:							
Passed Through - NJ Department of Law and Public Safety:							
COPS in Shops Summer Shore Incentive - 2021	4,840.00					4,840.00	
2022 Click It or Ticket			8,750.00	8,400.00		350.00	
2022 Distracted Driving Crackdown Grant			24,960.00	24,960.00			
2021 Drive Sober or Get Pulled Over	5,640.00					5,640.00	
2022 Drive Sober or Get Pulled Over							
Year End Holiday Crackdown			7,000.00	3,960.09			3,039.91
US Department of Homeland Security							
Passed Through - NJ Department of Law and Public Safety:							
Pass Through - County of Ocean							
Homeland Security Grant - 2022			10,000.00	9,935.00			65.00
Pass Through County of Ocean							
Senior Citizens Grant Title III B			135,574.00	135,574.00			
Senior Citizens Grant Title III E			39,080.00	39,080.00			
Senior Citizens Grant CARES Title III B & E	2,712.23	5,634.08		8,346.31			
US Fish and Wildlife Services							
Passed Through -NJ Department of Environmental Protection							
Pass Through County of Ocean							
Ocean County Pump Out Boat - 2022			40,000.00	23,468.06	4,668.32		11,863.62
Ocean County Pump Out Boat - 2021	3,925.42	3,486.66		1,351.45		6,060.63	
<b>Total Federal</b>	<u>1,284,856.26</u>	<u>698,617.50</u>	<u>853,349.00</u>	<u>1,529,922.97</u>	<u>255,546.01</u>	<u>173,317.63</u>	<u>878,036.15</u>

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND  
 SCHEDULE OF APPROPRIATED RESERVES

<u>Grant</u>	Balance December 31, 2021	Transfer from Reserve for Encumbrances	Transfer from 2022 Budget Appropriation	Expended	Transfer to Reserve for Encumbrances	Canceled	Balance December 31, 2022
<b>State</b>							
NJ Department of Environmental Protection:							
Clean Communities Program - 2019	\$ 23,788.20	\$ 42,170.00		\$ 64,804.20	\$ 854.00		\$ 300.00
Clean Communities Program - 2020	97,675.00			72,675.00			25,000.00
Clean Communities Program - 2021			\$ 169,772.88	40,000.00			129,772.88
Green Acres Program - Park Improvements	1,000,000.00			403.72	3,800.00		995,796.28
Recycling Tonnage Grant - 2017	178.39			178.39			
Recycling Tonnage Grant - 2018	4,357.25	55,642.75		60,000.00			
Recycling Tonnage Grant - 2019			114,998.73	71,350.00	11,467.00		32,181.73
NJ Department of Law and Public Safety:							
Safe and Secure Communities Program - 2022			32,400.00	16,200.00			16,200.00
Safe and Secure Communities Program - 2021	16,200.00			16,200.00			
Body Armor Replacement Fund - 2020		8,786.67		8,786.67			
Body Armor Replacement Fund - 2021			5,656.46	5,539.00			117.46
Drunk Driving Enforcement Fund - SFY 2020	12,974.00			6,563.33			6,410.67
2022 Pedestrian Safety Grant			14,980.00	5,521.63			9,458.37
2021 Pedestrian Safety Grant	7,864.30			5,697.10			2,167.20
NJ Department of Community Affairs:							
Division of Housing and Community Resources-Recreational							
Recreation for Individuals with Disabilities 2021	1,825.19	385.42		2,210.61			
Recreation for Individuals with Disabilities 2022			8,800.00	1,474.02	3,640.00		3,685.98
Division of Housing and Community Resources							
Brick Senior Center 2022 Grant			200,000.00				200,000.00
NJ Department of Transportation:							
Laurelhurst Road Project - Phase II		120,695.58		75,934.57			44,761.01
Cedarwood Park East	45,688.92	61,537.85		20,241.37	41,296.48		45,688.92
Municipal Aid Program - Roadway Elevation Broad Ave	417,028.00						417,028.00
Governor's Council on Alcoholism							
Municipal Alliance Grant - SFY 2021	10,241.84					\$ 10,241.84	
Municipal Alliance Grant - SFY 2022	21,473.00	206.85		20,655.83			1,024.02
Municipal Alliance Grant - SFY 2023			21,773.00	1,614.70	723.40		19,434.90
Passed Through County of Ocean:							
Municipal Alliance Grant Youth Leadership Grant - SFY 2023			7,371.02	6,089.00			1,282.02
State of New Jersey Board of Public Utilities							
NJ Public Utilities Clean Energy Electric Vehicle			14,000.00				14,000.00
NJ Board of Public Utilities Clean Energy Community			10,000.00				10,000.00
Total State	<u>1,659,294.09</u>	<u>289,425.12</u>	<u>599,752.09</u>	<u>502,139.14</u>	<u>61,780.88</u>	<u>10,241.84</u>	<u>1,974,309.44</u>

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND  
 SCHEDULE OF APPROPRIATED RESERVES

<u>Grant</u>	Balance December 31, 2021	Transfer from Reserve for Encumbrances	Transfer from 2022 Budget Appropriation	Expended	Transfer to Reserve for Encumbrances	Canceled	Balance December 31, 2022
<b>Other</b>							
Sustainable Jersey Grant			\$ 2,000.00	\$ 1,040.50			\$ 959.50
New Jersey Workforce Registry							
Hiring and Retention Bonus Grant			7,000.00	7,000.00			
County of Ocean - Tourism Grant			4,075.00	1,526.00			2,549.00
Total Other			<u>13,075.00</u>	<u>9,566.50</u>			<u>3,508.50</u>
 Total Federal, State, County and Other	<u>\$ 2,944,150.35</u>	<u>\$ 988,042.62</u>	<u>\$ 1,466,176.09</u>	<u>\$ 2,041,628.61</u>	<u>\$ 317,326.89</u>	<u>\$ 183,559.47</u>	<u>\$ 2,855,854.09</u>
 <u>Ref.</u>	A	A-27	A-3/A-23	A-23	A-27	A-23	A

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

**FEDERAL AND STATE GRANT FUND**  
**SCHEDULE OF UNAPPROPRIATED RESERVES**

<u>Grant</u>	Balance December 31, <u>2021</u>	Cash <u>Receipts</u>	Transfer to Grants <u>Receivable</u>	Interfund <u>Current Fund</u>	Balance December 31, <u>2022</u>
Clean Communities 2021	\$ 169,772.88		\$ 169,772.88		
Clean Communities 2022		\$ 170,308.53			\$ 170,308.53
Emergency Management - 2021		10,000.00			10,000.00
Body Armor Replacement Fund - 2022		8,342.72			8,342.72
American Rescue Plan	3,958,920.00	3,958,920.00		\$ 3,958,920.00	3,958,920.00
National Opioids Settlement		195,450.03			195,450.03
	<u>\$ 4,128,692.88</u>	<u>\$ 4,343,021.28</u>	<u>\$ 169,772.88</u>	<u>\$ 3,958,920.00</u>	<u>\$ 4,343,021.28</u>
<u>Ref.</u>	A	A-23	A-24	A-23	A



**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

FEDERAL AND STATE GRANT FUND  
 SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ 988,042.62
Increased by:		
Charged to Grant Appropriated Reserves	A-25	317,326.89
		<u>1,305,369.51</u>
Decreased by:		
Transferred to Grant Appropriated Reserves	A-25	988,042.62
		<u>988,042.62</u>
Balance, December 31, 2022	A	<u><u>\$ 317,326.89</u></u>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF RESERVE FOR REVALUATION

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	A	<u>\$ 1,601.22</u>

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
 SCHEDULE OF RESERVE FOR HURRICANE SANDY

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	A	<u>\$ 2,904,588.80</u>

SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ 361,992.91
Increased by:		
Cash Receipts	A-4	<u>57,252,097.86</u>
		57,614,090.77
Decreased by:		
Cash Disbursed	A-4	<u>57,598,361.49</u>
Balance, December 31, 2022	A	<u>\$ 15,729.28</u>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF RESERVE FOR FEMA

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	A	<u>\$ 4,911,578.01</u>

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
 SCHEDULE OF RESERVE FOR CAFETERIA PLAN

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ 679.53
Decreased by:		
Cash Disbursements	A-4	679.53
Balance, December 31, 2022	A	\$ -

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
 SCHEDULE OF DUE TO COUNTY COMMUNITY SERVICE CONTRIBUTION

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ -
Increased by:		
Cash Receipts	A-4	17,367.80
		<u>17,367.80</u>
Decreased by:		
Cash Disbursed	A-4	17,367.80
		<u>17,367.80</u>
Balance, December 31, 2022	A	<u><u>\$ -</u></u>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
SCHEDULE OF DEFERRED CHARGES  
N.J.S.A. 40A:4-55 SPECIAL EMERGENCY

	Balance December 31, <u>2021</u>	<u>Decreased</u>	Balance December 31, <u>2022</u>
Emergency Authorizations:			
Buildings & Grounds - Other Expenses	\$ 200,000.00	\$ 200,000.00	\$ -
	<u>\$ 200,000.00</u>	<u>\$ 200,000.00</u>	<u>\$ -</u>
<u>Ref.</u>	A	A-3	A

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND  
 SCHEDULE OF RESERVE FOR MUNICIPAL RELIEF FUND AID

	<u>Ref.</u>	
Balance, December 31, 2021	A	\$ -
Increased by:		
Cash Receipts	A-4	<u>281,010.18</u>
Balance, December 31, 2022	A	<u><u>\$ 281,010.18</u></u>



**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

TRUST FUND  
 SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Trust Fund</u>	<u>Trust Other Fund</u>	<u>Open Space Trust Fund</u>
Balance, December 31, 2021	B	\$ 73,064.39	\$ 12,848,820.40	\$ 249,826.05
Increased by Receipts:				
Reserve for Animal Control				
Trust Fund Expenditures	B-4	\$ 17,601.93		
Due to State of New Jersey	B-5	3,754.80		
Tax Levy	B-6			\$ 1,054,695.44
Interest Earnings	B-7			1,592.11
Reserve for Community Development				
Block Grant Expenditures	B-8		\$ 36,686.00	
Various Reserves	B-9		9,551,056.15	
Prepaid License Fees	B-10	11,108.27		
		<u>32,465.00</u>	<u>9,587,742.15</u>	<u>1,056,287.55</u>
		105,529.39	22,436,562.55	1,306,113.60
Decreased by Disbursements:				
Animal Control Trust Fund				
Expenditures (R.S. 4:19-15.11)	B-4	40,937.49		
Due to State of New Jersey	B-5	3,703.80		
Cash Disbursements	B-7			1,050,506.95
Reserve for Community Development				
Block Grant Expenditures	B-8		36,686.00	
Various Reserves	B-9		8,889,426.88	
Interfund - Current Fund	B-11		341,751.44	
		<u>44,641.29</u>	<u>9,267,864.32</u>	<u>1,050,506.95</u>
Balance, December 31, 2022	B	<u>\$ 60,888.10</u>	<u>\$ 13,168,698.23</u>	<u>\$ 255,606.65</u>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL TRUST FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2021	B	\$ 5,721.48
Increased by:		
Reserve for Encumbrances	B-4	1,178.95
		<u>6,900.43</u>
Decreased by:		
Reserve for Encumbrances	B-4	5,721.48
		<u>5,721.48</u>
Balance, December 31, 2022	B	<u><u>\$ 1,178.95</u></u>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2021	B	\$ 72,828.71
Increased by:		
Transferred from Various Reserves	B-9	166,088.91
		<u>238,917.62</u>
Decreased by:		
Transferred to Various Reserves	B-9	72,828.71
		<u>72,828.71</u>
Balance, December 31, 2022	B	<u><u>\$ 166,088.91</u></u>

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL TRUST FUND  
 SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>		
Balance, December 31, 2021	B		\$ 50,995.51
Increased by:			
Dog License Fees Collected		\$ 10,590.93	
Cat License Fees Collected		968.00	
Late Fees		1,008.00	
Miscellaneous		5,035.00	
	B-1	17,601.93	
Reserve for Encumbrances	B-2	5,721.48	
Prepaid Licenses Applied	B-10	10,962.93	
			34,286.34
			85,281.85
Decreased by:			
Expenditures Under R.S. 4:19-15.11	B-1	40,937.49	
Reserve for Encumbrances	B-2	1,178.95	
			42,116.44
Balance, December 31, 2022	B		\$ 43,165.41

License and Penalty Fees Collected:

<u>Year</u>	<u>Amount</u>
2021	\$ 25,182.73
2020	24,733.46
	\$ 49,916.19
	49,916.19

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL TRUST FUND  
 SCHEDULE OF DUE TO STATE OF NEW JERSEY

	<u>Ref.</u>	
Balance, December 31, 2021	B	\$ 6.20
Increased by:		
Cash Receipts	B-1	3,754.80
		3,761.00
Decreased by:		
Cash Disbursements	B-1	3,703.80
		3,703.80
Balance, December 31, 2022	B	\$ 57.20

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

OPEN SPACE TRUST FUND  
SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>		
Balance, December, 31, 2021	B		\$ -
Increased by:			
Open Space Tax Levy	B-7	\$ 1,050,510.06	
Added/Omitted Levy	B-7	<u>4,185.38</u>	
			<u>1,054,695.44</u>
			1,054,695.44
Decreased by:			
Cash Receipts	B-1		<u>1,054,695.44</u>
Balance, December, 31, 2022	B		<u><u>\$ -</u></u>

Exhibit B-7

SCHEDULE OF RESERVE FOR OPEN SPACE EXPENDITURES

	<u>Ref.</u>		
Balance, December, 31, 2021	B		\$ 249,826.05
Increased by:			
Interest Earnings	B-1	\$ 1,592.11	
Open Space Tax Levy	B-6	1,050,510.06	
Added/Omitted Levy	B-6	<u>4,185.38</u>	
			<u>1,056,287.55</u>
			1,306,113.60
Decreased by:			
Open Space Expenditures	B-1		<u>1,050,506.95</u>
Balance, December, 31, 2022	B		<u><u>\$ 255,606.65</u></u>

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND  
 SCHEDULE OF RESERVE FOR COMMUNITY DEVELOPMENT  
 BLOCK GRANT EXPENDITURES

	<u>Ref.</u>	
Balance, December 31, 2021	B	\$ -
Increased by:		
Program Income	B-1	36,686.00
		36,686.00
Decreased by:		
Cash Disbursements	B-1	36,686.00
		36,686.00
Balance, December 31, 2022	B	\$ -

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND  
 SCHEDULE OF VARIOUS RESERVES

	Balance December 31, <u>2021</u>	<u>Increased by</u>	<u>Decreased by</u>	Balance December 31, <u>2022</u>
Developers Escrow and Performance Bonds	\$ 2,753,268.76	\$ 2,005,612.37	\$ 1,516,863.40	\$ 3,242,017.73
Tax Collector's Account	2,900,329.25	3,282,410.16	2,734,263.99	3,448,475.42
Forfeited Assets	217,828.65	94,785.42	120,955.24	191,658.83
Planning/Zoning Board Fees	272,952.90	357,363.03	439,080.09	191,235.84
Municipal Alliance Donations on				
Alcohol and Drug Abuse	13,000.38	160.00	9,032.00	4,128.38
Project D.A.R.E.	4,714.28	1,800.00	4,387.80	2,126.48
Elevator Safety - Construction Code	118,640.92	22,227.00	13,600.00	127,267.92
Affordable Housing	342,411.65	527,933.77	447,222.71	423,122.71
Recreation	1,166,050.08	873,001.48	905,736.75	1,133,314.81
Vest Fund	6,475.35	12,121.54	17,851.31	745.58
Public Defender	8,122.58	6,384.00	10,750.00	3,756.58
P.O.A.A.	494.75	184.00		678.75
Storm Recovery	1,796,448.96	428,397.42	777,191.63	1,447,654.75
Accumulated Leave	1,204,004.97	1,000,000.00	1,060,710.46	1,143,294.51
Unemployment Compensation	1,099,732.98	106,314.79	114,694.38	1,091,353.39
Road Job Rider	462,837.52	878,832.50	859,601.76	482,068.26
Police Donations	24,670.91	3,457.64	8,450.72	19,677.83
Law Enforcement Trust Fund	3,662.71	7,605.08	8,585.73	2,682.06
Historic Preservation	3,392.93	94.66		3,487.59
Tourism Development Commission	35,199.72	15,200.00	6,537.82	43,861.90
	<u>\$ 12,434,240.25</u>	<u>\$ 9,623,884.86</u>	<u>\$ 9,055,515.79</u>	<u>\$ 13,002,609.32</u>

	<u>Ref.</u>	B	B-9	B-9	B
Cash Receipts	B-1		\$ 9,551,056.15		
Transferred from Reserve for Encumbrances	B-3		72,828.71		
	B-9		<u>\$ 9,623,884.86</u>		
Cash Disbursements	B-1			\$ 8,889,426.88	
Transferred to Reserve for Encumbrances	B-3			166,088.91	
	B-9			<u>\$ 9,055,515.79</u>	



**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL TRUST FUND  
SCHEDULE OF PREPAID LICENSE FEES

	<u>Ref.</u>	
Balance, December 31, 2021	B	\$ 16,341.20
Increased by:		
Cash Receipts	B-1	11,108.27
		27,449.47
Decreased by:		
Applied to Reserve for Animal Control Expenditures	B-4	10,962.93
		10,962.93
Balance, December 31, 2022	B	\$ 16,486.54

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

TRUST OTHER FUND  
 SCHEDULE OF INTERFUND - CURRENT FUND

	<u>Ref.</u>	
Balance, December, 31, 2021	B	\$ 341,751.44
Decreased by:		
Cash Disbursements	B-1	341,751.44
Balance, December, 31, 2022	B	\$ -

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
 SCHEDULE OF CASH AND INVESTMENTS

	<u>Ref.</u>	
Balance, December 31, 2021	C	\$ 7,205,396.73
Increased by Receipts:		
Premium on Sale of Bond Anticipation Notes	C-1	\$ 184,670.00
Premium on Bond Issue	C-1	50,654.62
Premium on Special Assessment Bond Issue	C-1	20,006.46
Special Assessment Bond Issue	C-8	285,000.00
Bond Anticipation Notes	C-9	6,756,755.00
Capital Improvement Fund	C-11	<u>500,000.00</u>
		<u>7,797,086.08</u>
		15,002,482.81
Decreased by Disbursed:		
Improvement Authorizations	C-12	<u>9,669,868.64</u>
Balance, December 31, 2022	C-2	<u><u>\$ 5,332,614.17</u></u>
Detail:		
Cash	C	\$ 25,503.64
Investments	C	<u>5,307,110.53</u>
	C-2	<u><u>\$ 5,332,614.17</u></u>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
ANALYSIS OF GENERAL CAPITAL CASH

	Balance December 31, <u>2022</u>
Investments	\$ (5,307,110.53)
Due from DCA	(212,400.00)
Capital Improvement Fund	27,137.05
Excess Proceeds from Sale of Bond Anticipation Notes	215.90
Reserve for Encumbrances	6,615,668.74
Reserve for Payment of Debt Service	1,772,059.84
Fund Balance	2,218,720.79

<u>Ordinance Number</u>	<u>Improvement Description</u>	
04-07/43-07	Various Capital Improvements	26,689.89
22-08	Various Capital Improvements	118,475.14
26-11	Various Capital Improvements and Other Related Expense	96,930.00
07-12	Financing of Certain Improvements Within A Duly Designated Redevelopment Area	(377,686.40)
09-13	Various Capital Improvements and Other Related Expense	887,551.97
22-14	Various Capital Improvements and Other Related Expense	23,794.46
09-15	Various Capital Improvements and Other Related Expense	(0.50)
11-15	Various Capital Improvements and Other Related Expense	1,082.07
12-15	Various Capital Improvements and Other Related Expense	345.77
09-16	Various Capital Improvements and Other Related Expense	1,008.00
11-16	Various Capital Improvements and Other Related Expense	18,550.00
12-16	Various Capital Improvements and Other Related Expense	(780,982.97)
01-17	Demolition of Unsafe Buildings and Structures	193,500.00
08-17	Various Capital Improvements and Other Related Expense	989.00
11-17	Various Capital Improvements and Other Related Expense	(102,255.97)
12-18	Various Capital Improvements and Acquisitions	42,369.36
13-18	Various Capital Improvements and Acquisitions	34,490.19
14-18	Various Capital Improvements and Acquisitions	128,301.41

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
ANALYSIS OF GENERAL CAPITAL CASH

Ordinance Number	<u>Improvement Description (continued)</u>	
15-18	Various Capital Improvements and Acquisitions	\$ 95,739.52
06-19	Various Capital Improvements and Acquisitions	6,952.58
07-19	Various Capital Improvements and Acquisitions	(13,411.68)
08-19	Various Capital Improvements and Acquisitions	101,698.50
09-19	Various Capital Improvements and Acquisitions	167,725.81
05-20	Various Capital Improvements and Acquisitions	78,302.18
06-20	Various Capital Improvements and Acquisitions	(119,811.44)
07-20	Various Capital Improvements and Acquisitions	(286,285.61)
08-20	Various Capital Improvements and Acquisitions	(217,258.60)
12-20	Acquisition and Purchase of Block 1171, Lot 1	168,911.39
15-20	Various Capital Improvements and Acquisitions	(42,160.57)
16-20	Various Capital Improvements and Acquisitions	45,736.63
17-20	Various Capital Improvements and Acquisitions	87,500.00
09-21	Various Capital Improvements and Acquisitions	(230,700.31)
10-21	Various Capital Improvements and Acquisitions	(41,059.76)
11-21	Various Capital Improvements and Acquisitions	(1,605,982.45)
12-21	Various Capital Improvements and Acquisitions	67,344.63
07-22	Dredging of the Nejecho Beach Lagoon	(700.00)
08-22	Various Capital Improvements and Acquisitions	(1,759,191.58)
09-22	Various Capital Improvements and Acquisitions	(99,006.53)
10-22	Various Capital Improvements and Acquisitions	(1,379,815.60)
11-22	Various Capital Improvements and Acquisitions	(426,466.68)
		<u>\$ 25,503.64</u>

C

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
SCHEDULE OF STATE OF NEW JERSEY - DEPARTMENT OF  
COMMUNITY AFFAIRS DEMOLITION BOND LOAN PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	C	<u>\$ 212,400.00</u>

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

**GENERAL CAPITAL FUND**  
**SCHEDULE OF PROSPECTIVE ASSESSMENTS RAISED BY TAXATION**

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Total Appropriated</u>	<u>Down Payment</u>	<u>Increased by</u>		<u>Balance December 31, 2022</u>	
				<u>Capital Improvement Fund</u>	<u>Bonds Issued</u>		
07-22	Dredging of the Nejecho Beach Lagoon	\$ 300,000.00	\$ 14,300.00	\$ 14,300.00	\$ 285,000.00	\$ 299,300.00	
				<u>\$ 14,300.00</u>	<u>\$ 285,000.00</u>	<u>\$ 299,300.00</u>	
				<u>Ref.</u>	C-11	C-8	C

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

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

	<u>Ref.</u>	
Balance, December 31, 2021	C	\$ 90,858,737.47
Increased by:		
Serial Bonds Issued	C-8	10,725,000.00
		<u>101,583,737.47</u>
Decreased by:		
Principal Paid on Bonds	C-8	\$ 14,300,000.00
Principal Paid on Green Trust Loans	C-10	62,128.05
Principal Paid on Dam Restoration Loan	C-14	36,110.11
Principal Paid on NJ DCA Demolition Loan	C-15	<u>30,000.00</u>
		<u>14,428,238.16</u>
Balance, December 31, 2022	C	<u><u>\$ 87,155,499.31</u></u>



**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

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

Ordinance Number	Improvement Description	Balance December 31, 2021	2022 Authorizations	Bonds Issued	Balance December 31, 2022	Analysis of Balance, December 31, 2022			
						Bond Anticipation Notes	Unexpended Improvement Authorizations	Expenditures	Excess Bond Anticipation Note Proceeds
07-12	Financing of Certain Improvements Within A Duly Designated Redevelopment Area	\$ 433,993.97			\$ 433,993.97		\$ 56,307.57	\$ 377,686.40	
09-13	Various Capital Improvements and Other Related Expenses	5,356,288.43			5,356,288.43		5,356,288.43		
09-15	Various Capital Improvements and Other Related Expenses	0.50			0.50		0.50		
12-16	Various Capital Improvements and Other Related Expenses	2,297,520.60		\$ 474,970.11	1,822,550.49	\$ 715,159.92	326,407.60	780,982.97	
08-17	Various Capital Improvements and Other Related Expenses	1,660,227.00		1,562,989.69	97,237.31	97,236.31		1.00	
09-17	Various Capital Improvements and Other Related Expenses	359,999.00		256,784.21	103,214.79	103,214.79			
11-17	Various Capital Improvements and Other Related Expenses	1,443,242.00		422,507.33	1,020,734.67	15,747.52	657,072.52	347,914.63	
12-18	Various Capital Improvements and Acquisitions	1,088,361.00		1,032,846.20	55,514.80	49,870.00	5,644.80		
13-18	Various Capital Improvements and Acquisitions	735,870.00		239,017.45	496,852.55	496,848.29	4.26		
14-18	Various Capital Improvements and Acquisitions	4,296,375.00		4,174,086.84	122,288.16	100,000.00	22,288.16		
15-18	Various Capital Improvements and Acquisitions	1,954,394.00		1,202,448.17	751,945.83	236,106.82	515,839.01		
06-19	Various Capital Improvements and Acquisitions	1,430,999.00		495,000.00	935,999.00	800,608.74	135,390.26		
07-19	Various Capital Improvements and Acquisitions	464,550.00		30,000.00	434,550.00	43,338.10	377,800.22	13,411.68	
08-19	Various Capital Improvements and Acquisitions	3,315,153.00		720,000.00	2,595,153.00	2,595,368.90			\$ 215.90
09-19	Various Capital Improvements and Acquisitions	2,864,298.00		500,000.00	2,364,298.00	1,489,113.26	875,184.74		
05-20	Various Capital Improvements and Acquisitions	1,903,177.00			1,903,177.00	1,744,481.55	158,695.45		
06-20	Various Capital Improvements and Acquisitions	624,482.00			624,482.00	161,150.00	343,520.56	119,811.44	
07-20	Various Capital Improvements and Acquisitions	2,675,909.00			2,675,909.00	2,279,897.34	109,726.05	286,285.61	
08-20	Various Capital Improvements and Acquisitions	1,133,350.00			1,133,350.00	466,266.50	449,824.90	217,258.60	
15-20	Various Capital Improvements and Acquisitions	791,621.00			791,621.00	667,432.39	51,801.43	72,387.18	
16-20	Various Capital Improvements and Acquisitions	328,962.00			328,962.00	235,000.00	93,962.00		
17-20	Various Capital Improvements and Acquisitions	617,500.00			617,500.00	564,314.57	53,185.43		
09-21	Various Capital Improvements and Acquisitions	1,795,185.00			1,795,185.00	1,250,000.00	314,484.69	230,700.31	

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

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

Ordinance Number	Improvement Description	Analysis of Balance, December 31, 2022							
		Balance December 31, 2021	2022 Authorizations	Bonds Issued	Balance December 31, 2022	Bond Anticipation Notes	Unexpended Improvement Authorizations	Expenditures	Excess Bond Anticipation Note Proceeds
10-21	Various Capital Improvements and Acquisitions	\$ 585,560.00			\$ 585,560.00	\$ 450,000.00	\$ 94,500.24	\$ 41,059.76	
11-21	Various Capital Improvements and Acquisitions	2,245,159.00			2,245,159.00	300,000.00	339,176.55	1,605,982.45	
12-21	Various Capital Improvements and Acquisitions	4,874,096.00			4,874,096.00	350,000.00	4,524,096.00		
07-22	Dredging of Nejecho Beach Lagoon		\$ 285,700.00	\$ 285,000.00	700.00			700.00	
08-22	Various Capital Improvements and Acquisitions		2,256,894.00		2,256,894.00		497,702.42	1,759,191.58	
09-22	Various Capital Improvements and Acquisitions		429,704.00		429,704.00		308,081.47	121,622.53	
10-22	Various Capital Improvements and Acquisitions		3,121,987.00		3,121,987.00		1,742,171.40	1,379,815.60	
11-22	Various Capital Improvements and Acquisitions		3,691,415.00		3,691,415.00		3,264,948.32	426,466.68	
		<u>\$ 45,276,272.50</u>	<u>\$ 9,785,700.00</u>	<u>\$ 11,395,650.00</u>	<u>\$ 43,666,322.50</u>	<u>\$ 15,211,155.00</u>	<u>\$ 20,674,104.98</u>	<u>\$ 7,781,278.42</u>	<u>\$ 215.90</u>
		Ref. C	C-12/C-17	C-7	C	C-9	C-7	C-3	C-3
	Serial Bonds Issued	C-8		\$ 10,725,000.00					
	Premium on Sale of Bonds	C-9		670,650.00					
		C-7		\$ 11,395,650.00					
			Improvement Authorizations Unfunded		Ref. C-12		\$ 22,347,461.26		
			Less: Unexpended Proceeds of Bond Anticipation Notes:						
			09-13		C-3	\$ 887,551.97			
			09-15		C-3	0.50			
			08-17		C-3	989.00			
			12-18		C-3	42,369.36			
			13-18		C-3	34,490.19			
			14-18		C-3	128,301.41			
			15-18		C-3	95,739.52			
			06-19		C-3	6,952.58			
			08-19		C-3	101,698.50			
			09-19		C-3	167,725.81			
			05-20		C-3	78,302.18			
			16-20		C-3	4,960.06			
			17-20		C-3	34,314.57			
			12-21		C-3	67,344.63			
			09-22		C-3	22,616.00			
							1,673,356.28		
						C-7	<u>\$ 20,674,104.98</u>		

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

**GENERAL CAPITAL FUND**  
**SCHEDULE OF GENERAL SERIAL BONDS**

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2021	Bonds Issued	Decreased	Balance December 31, 2022
			December 31, 2021						
General Obligation Refunding Bonds, Series 2012	05/10/12	\$ 13,955,000.00				\$ 1,300,000.00		\$ 1,300,000.00	
General Improvement Bonds, Series 2012	09/28/12	28,655,000.00				2,745,000.00	C-8	2,745,000.00	
Pension Refunding Bonds - Series 2013	07/30/13	4,140,000.00	11/15/23	\$ 610,000.00	4.000%	1,160,000.00		550,000.00	\$ 610,000.00
General Improvement Bonds, Series 2014A	09/26/14	10,884,000.00				1,605,000.00		1,605,000.00	
General Improvement Bonds, Series 2014B	09/26/14	23,650,000.00	09/01/23	1,595,000.00	3.000%	3,140,000.00		1,545,000.00	1,595,000.00
Refunding Bonds - Series 2016	03/01/16	23,430,000.00	11/01/23	2,955,000.00	4.000%				
			11/01/24	3,080,000.00	4.000%				
			11/01/25	3,125,000.00	4.000%				
			11/01/26	2,130,000.00	4.000%				
			11/01/27	2,225,000.00	4.000%				
			11/01/28	2,320,000.00	4.000%	18,690,000.00		2,855,000.00	15,835,000.00
General Improvement Bonds, Series 2017	07/20/17	24,800,000.00	01/15/23	1,535,000.00	3.000%				
			01/15/24	1,580,000.00	3.000%				
			01/15/25	1,630,000.00	3.000%				
			01/15/26	1,675,000.00	3.000%				
			01/15/27	1,735,000.00	3.000%				
			01/15/28	1,795,000.00	3.000%				
			01/15/29	1,870,000.00	3.000%				
			01/15/30	1,945,000.00	3.000%				
			01/15/31	2,020,000.00	3.000%				
			01/15/32	2,100,000.00	3.000%	19,375,000.00		1,490,000.00	17,885,000.00
General Improvement Bonds, Series 2019	06/25/19	12,170,000.00	03/01/23	1,155,000.00	3.000%				
			03/01/24	1,190,000.00	3.000%				
			03/01/25	1,225,000.00	3.000%				
			03/01/26	1,260,000.00	3.000%				
			03/01/27	1,300,000.00	3.000%				
			03/01/28	1,340,000.00	3.000%				
			03/01/29	1,380,000.00	3.000%	9,980,000.00		1,130,000.00	8,850,000.00

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

**GENERAL CAPITAL FUND**  
**SCHEDULE OF GENERAL SERIAL BONDS**

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2021	Bonds Issued	Decreased	Balance December 31, 2022						
			Outstanding December 31, 2021												
General Improvement Bonds, Series 2020	06/23/20	\$ 9,260,000.00	02/15/23	\$ 785,000.00	3.000%										
			02/15/24	970,000.00	3.000%										
			02/15/25	1,000,000.00	3.000%										
			02/15/26	1,015,000.00	3.000%										
			02/15/27	1,045,000.00	3.000%										
			02/15/28	1,070,000.00	3.000%										
			02/15/29	1,100,000.00	2.000%										
			02/15/30	1,100,000.00	2.000%										
												\$ 8,710,000.00		\$ 625,000.00	\$ 8,085,000.00
Refunding Bonds - Series 2020	09/29/20	5,555,000.00	11/01/23	1,545,000.00	0.693%										
			11/01/24	1,575,000.00	0.852%										
			11/01/25	1,585,000.00	0.952%										
			11/01/26	100,000.00	1.134%										
			11/01/27	100,000.00	1.284%										
			11/01/28	105,000.00	1.499%										
			11/01/29	105,000.00	1.649%										
					5,300,000.00		185,000.00	5,115,000.00							
Refunding Bonds - Series 2021	08/05/21	17,920,000.00	09/01/23	3,050,000.00	0.430%										
			09/01/24	4,750,000.00	0.670%										
			09/01/25	1,865,000.00	0.910%										
			09/01/26	1,900,000.00	1.090%										
			09/01/27	1,940,000.00	1.310%										
			09/01/28	1,980,000.00	1.470%										
			09/01/29	2,000,000.00	1.670%										
												17,755,000.00		270,000.00	17,485,000.00
Series 2022 General Improvement Bonds	06/16/22	10,440,000.00	01/15/23	640,000.00	3.000%										
			01/15/24	970,000.00	3.000%										
			01/15/25	1,000,000.00	4.000%										
			01/15/26	1,020,000.00	2.000%										
			01/15/27	1,050,000.00	4.000%										
			01/15/28	1,080,000.00	4.000%										
			01/15/29	1,110,000.00	4.000%										
			01/15/30	1,150,000.00	4.000%										
			01/15/31	1,190,000.00	4.000%										
			01/15/32	1,230,000.00	4.000%										
													\$ 10,440,000.00		10,440,000.00

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

GENERAL CAPITAL FUND  
 SCHEDULE OF GENERAL SERIAL BONDS

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Maturities of Bonds Outstanding December 31, 2021</u>		<u>Interest Rate</u>	<u>Balance December 31, 2021</u>	<u>Bonds Issued</u>	<u>Decreased</u>	<u>Balance December 31, 2022</u>
Series 2022 General Improvement Bonds - Special Assessment	06/16/22	\$ 285,000.00	01/15/23	\$ 20,000.00	3.000%				
			01/15/24	25,000.00	3.000%				
			01/15/25	25,000.00	4.000%				
			01/15/26	25,000.00	2.000%				
			01/15/27	30,000.00	4.000%				
			01/15/28	30,000.00	4.000%				
			01/15/29	30,000.00	4.000%				
			01/15/30	30,000.00	4.000%				
			01/15/31	35,000.00	4.000%				
			01/15/32	35,000.00	4.000%				
									<u>\$ 285,000.00</u>
						<u>\$ 89,760,000.00</u>	<u>\$ 10,725,000.00</u>	<u>\$ 14,300,000.00</u>	<u>\$ 86,185,000.00</u>
					<u>Ref.</u>	C	C-8	C-8	C
			Issued for Cash		C-2/C-5/C-17	\$ 285,000.00			
			BAN refunding		C-9	<u>10,440,000.00</u>			
					C-6/C-7/C-8	<u>\$10,725,000.00</u>			
			Paid by Budget Appropriation					\$ 13,311,734.94	
			Paid by Open Space Fund					<u>988,265.06</u>	
					C-6/C-8			<u>\$ 14,300,000.00</u>	

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
 SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of		Date of Maturity	Interest Rate	Balance		Increased	Decreased	Balance December 31, 2022
		Original Note	Date of Issue			December 31, 2021				
12-16	Various Capital Improvements and Other Related Expenses	06-23-20	06-21-21	06-20-22	1.250%	\$ 474,970.11			\$ 474,970.11	\$ 715,159.92
		06-21-21	06-16-22	06-15-23	3.000%	715,159.92	\$ 715,159.92	715,159.92		
8-17	Various Capital Improvements and Other Related Expenses	06-25-19	06-21-21	06-20-22	1.250%	1,135,143.51			1,135,143.51	97,236.31
		06-23-20	06-21-21	06-20-22	1.250%	427,846.18			427,846.18	
		06-21-21	06-16-22	06-15-23	3.000%	97,236.31	97,236.31	97,236.31		
9-17	Various Capital Improvements and Other Related Expenses	06-23-20	06-21-21	06-20-22	1.250%	256,784.21			256,784.21	103,214.79
		06-21-21	06-16-22	06-15-23	3.000%	103,214.79	103,214.79	103,214.79		
11-17	Various Capital Improvements and Other Related Expenses	06-25-19	06-21-21	06-20-22	1.250%	320,213.55			320,213.55	15,747.52
		06-23-20	06-21-21	06-20-22	1.250%	102,293.78			102,293.78	
		06-21-21	06-16-22	06-15-23	3.000%	15,747.52	15,747.52	15,747.52		
12-18	Various Capital Improvements and Acquisitions	06-25-19	06-21-21	06-20-22	1.250%	1,032,846.20			1,032,846.20	49,870.00
		06-16-22	06-16-22	06-15-23	3.000%		49,870.00			
13-18	Various Capital Improvements and Acquisitions	06-25-19	06-21-21	06-20-22	1.250%	239,017.45			239,017.45	167,860.00
		06-23-21	06-16-22	06-15-23	3.000%	328,988.29	328,988.29	328,988.29		
		06-16-22	06-16-22	06-15-23	3.000%		167,860.00			
14-18	Various Capital Improvements and Acquisitions	06-25-19	06-21-21	06-20-22	1.250%	1,660,331.12			1,660,331.12	100,000.00
		06-23-20	06-21-21	06-20-22	1.250%	2,513,755.72			2,513,755.72	
		06-16-22	06-16-22	06-15-23	3.000%		100,000.00			
15-18	Various Capital Improvements and Acquisitions	06-25-19	06-21-21	06-20-22	1.250%	1,202,448.17			1,202,448.17	233,106.82
		06-21-21	06-21-21	06-20-22	3.000%	233,106.82	233,106.82	233,106.82		
		06-16-22	06-16-22	06-15-23	3.000%		3,000.00		3,000.00	
06-19	Various Capital Improvements and Acquisitions	06-23-20	06-21-21	06-20-22	1.250%	495,000.00			495,000.00	660,608.74
		06-21-21	06-16-22	06-15-23	3.000%	660,608.74	660,608.74	660,608.74		
		06-16-22	06-16-22	06-15-23	3.000%		140,000.00		140,000.00	
07-19	Various Capital Improvements and Acquisitions	06-23-20	06-21-21	06-20-22	1.250%	30,000.00			30,000.00	15,263.10
		06-21-21	06-16-22	06-15-23	3.000%	15,263.10	15,263.10	15,263.10		
		06-16-22	06-16-22	06-15-23	3.000%		28,075.00		28,075.00	

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
 SCHEDULE OF BOND ANTICIPATION NOTES

Ordinance Number	Improvement Description	Date of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance			Balance December 31, 2022	
						December 31, 2021	Increased	Decreased		
08-19	Various Capital Improvements and Acquisitions	06-23-20	06-21-21	06-20-22	1.250%	\$ 720,000.00		\$ 720,000.00	\$ 2,595,368.90	
		06-21-21	06-16-22	06-15-23	3.000%	2,595,368.90	\$ 2,595,368.90	2,595,368.90		
09-19	Various Capital Improvements and Acquisitions	06-23-20	06-21-21	06-20-22	1.250%	500,000.00		500,000.00	408,813.26	
		06-21-21	06-21-21	06-20-22	3.000%	408,813.26	408,813.26	408,813.26		
		06-16-22	06-16-22	06-15-23	3.000%		1,080,300.00			1,080,300.00
05-20	Various Capital Improvements and Acquisitions	06-21-21	06-21-21	06-20-22	3.000%	1,594,481.55	1,594,481.55	1,594,481.55	1,594,481.55	
		06-16-22	06-16-22	06-15-23	3.000%		150,000.00		150,000.00	
06-20	Various Capital Improvements and Acquisitions	06-21-21	06-21-21	06-20-22	3.000%	7,500.00	7,500.00	7,500.00	7,500.00	
		06-16-22	06-16-22	06-15-23	3.000%		153,650.00		153,650.00	
07-20	Various Capital Improvements and Acquisitions	06-21-21	06-21-21	06-20-22	1.250%	659,897.34	659,897.34	659,897.34	659,897.34	
		06-16-22	06-16-22	06-15-23	3.000%		1,620,000.00		1,620,000.00	
08-20	Various Capital Improvements and Acquisitions	06-21-21	06-16-22	06-15-23	3.000%	402,266.50	402,266.50	402,266.50	402,266.50	
		06-16-22	06-16-22	06-15-23	3.000%		64,000.00		64,000.00	
15-20	Various Capital Improvements and Acquisitions	06-21-21	06-16-22	06-15-23	3.000%	497,432.39	497,432.39	497,432.39	497,432.39	
		06-16-22	06-16-22	06-15-23	3.000%		170,000.00		170,000.00	
16-20	Various Capital Improvements and Acquisitions	06-16-22	06-16-22	06-15-23	3.000%		235,000.00		235,000.00	
17-20	Various Capital Improvements and Acquisitions	06-21-21	06-16-22	06-15-23	3.000%	119,314.57	119,314.57	119,314.57	119,314.57	
		06-16-22	06-16-22	06-15-23	3.000%		445,000.00		445,000.00	
9-21	Various Capital Improvements and Acquisitions	06-16-22	06-16-22	06-15-23	3.000%		1,250,000.00		1,250,000.00	
10-21	Various Capital Improvements and Acquisitions	06-16-22	06-16-22	06-15-23	3.000%		450,000.00		450,000.00	
11-21	Various Capital Improvements and Acquisitions	06-16-22	06-16-22	06-15-23	3.000%		300,000.00		300,000.00	
12-21	Various Capital Improvements and Acquisitions	06-16-22	06-16-22	06-15-23	3.000%		350,000.00		350,000.00	
						\$ 19,565,050.00	\$ 15,211,155.00	\$ 19,565,050.00	\$ 15,211,155.00	
						Ref.	C	C-9	C-9	C
Rollover								\$ 8,454,400.00	\$ 8,454,400.00	
Issued for Cash								6,756,755.00		
Bond Issue									10,440,000.00	
Premium on Bond Issue									670,650.00	
						C-7/C-9	\$ 15,211,155.00	\$ 19,565,050.00		

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
 SCHEDULE OF GREEN TRUST LOANS PAYABLE

<u>Description</u>	<u>Year of Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2021</u>	<u>Paid by Open Space Trust Fund</u>	<u>Balance December 31, 2022</u>
Acquisition of Property - Dealman House (Haven's Farm)	2002	2.00%	\$ 1,539.19	\$ 1,539.19	
Bambe Cross Cove Acquisition	2004	2.00%	9,851.78	9,851.78	
Drum Point Recreation Complex II	2009	0.00%	307,692.30	41,025.64	\$ 266,666.66
Multi Park Development	2011	0.00%	<u>92,258.68</u>	<u>9,711.44</u>	<u>82,547.24</u>
			<u>\$ 411,341.95</u>	<u>\$ 62,128.05</u>	<u>\$ 349,213.90</u>
<u>Ref.</u>			C	C-6	C



**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
 SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance, December 31, 2021	C	\$ 41,437.05
Increased by:		
2022 Budget Appropriation	C-2	500,000.00
		<u>514,437.05</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations	C-12	514,300.00
		<u>514,300.00</u>
Balance, December 31, 2022	C	<u><u>\$ 27,137.05</u></u>

**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN, NEW JERSEY**

**GENERAL CAPITAL FUND**  
**SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

Ordinance Number	Improvement Description	Balance December 31, 2021		Increased by		Decreased by		Balance December 31, 2022	
		Funded	Unfunded	2022 Authorizations	Prior Year Encumbrances	Expended	Reserve for Encumbrances	Funded	Unfunded
04-07/43-07	Various Capital Improvements	\$ 27,396.48				\$ 706.59		\$ 26,689.89	
23-09	Various Capital Improvements & Other Related Expenses	118,475.14						118,475.14	
13-10	Various Capital Improvements and Other Related Expenses				\$ 3,556.05	3,556.05			
26-11	Various Capital Improvements and Other Related Expenses	108,265.00			27,687.50	15,167.50	\$ 23,855.00	96,930.00	
07-12	Financing of Certain Improvements Within A Duly Designated Redevelopment Area		\$ 230,731.70		37,943.55	129,009.88	83,357.80		\$ 56,307.57
11-12	Various Capital Improvements and Other Related Expenses	436.23				436.23			
08-13	Various Township Wide Road Improvements and Other Related Expenses				27,381.25	130.00	27,251.25		
09-13	Various Capital Improvements and Other Related Expenses	895,358.43	5,356,288.43		109,422.18	62,040.32	55,188.32		6,243,840.40
19-14	Various Capital Improvements and Other Related Expenses				7,018.75		7,018.75		
21-14	Various Capital Improvements and Other Related Expenses				145,764.95	67,487.91	78,277.04		
22-14	Various Capital Improvements and Other Related Expenses	41,131.50			6,373.99	19,254.54	4,456.49	23,794.46	
9-15	Various Capital Improvements and Other Related Expenses		22,080.56		111,644.76	70,462.03	63,263.29		
11-15	Various Capital Improvements and Other Related Expenses	1,082.07						1,082.07	
12-15	Various Capital Improvements and Other Related Expenses	199.06			35,310.46	11,672.54	23,491.21	345.77	
09-16	Various Capital Improvements and Other Related Expenses	103,008.32			93,599.84	60,200.35	135,399.81	1,008.00	
11-16	Various Capital Improvements and Other Related Expenses		18,550.00					18,550.00	
12-16	Various Capital Improvements and Other Related Expenses		1,149,692.06		83,667.14	266,589.27	640,362.33		326,407.60
01-17	Demolition of Unsafe Buildings and Structures	193,500.00						193,500.00	
08-17	Various Capital Improvements and Other Related Expenses		32,957.61		259,196.04	70,455.45	220,708.20		990.00
09-17	Various Capital Improvements and Other Related Expenses				330.00		330.00		
11-17	Various Capital Improvements and Other Related Expenses	455,454.63	657,072.52		1,836.83	72,576.09	139,056.71	245,658.66	657,072.52
12-18	Various Capital Improvements and Acquisitions		64,054.16		43,142.86	56,097.42	3,085.44		48,014.16
13-18	Various Capital Improvements and Acquisitions		43,058.74		16,364.08	24,928.37			34,494.45
14-18	Various Capital Improvements and Acquisitions		25,000.00		534,819.24	347,884.17	61,345.50		150,589.57
15-18	Various Capital Improvements and Acquisitions		618,702.62		12,853.56	17,777.65	2,200.00		611,578.53
06-19	Various Capital Improvements and Acquisitions		219,444.76		1,387.56	78,489.48			142,342.84
07-19	Various Capital Improvements and Acquisitions		416,524.96		9,590.50	22,568.96	25,746.28		377,800.22
08-19	Various Capital Improvements and Acquisitions		102,696.00		250,499.39	237,057.69	14,439.20		101,698.50
09-19	Various Capital Improvements and Acquisitions		975,624.20		697,445.35	610,958.72	19,200.28		1,042,910.55
05-20	Various Capital Improvements and Acquisitions		248,407.67		383,072.87	368,041.45	26,441.46		236,997.63
06-20	Various Capital Improvements and Acquisitions		500,416.45		149,433.55	250,914.52	55,414.92		343,520.56
07-20	Various Capital Improvements and Acquisitions		454,822.99		1,460,967.52	1,733,448.21	72,616.25		109,726.05
08-20	Various Capital Improvements and Acquisitions		725,923.50		2,362.00	220,337.17	58,123.43		449,824.90

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY  
  
 GENERAL CAPITAL FUND  
 SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Balance December 31, 2021		Increased by		Decreased by		Balance December 31, 2022	
		Funded	Unfunded	2022 Authorizations	Prior Year Encumbrances	Expended	Reserve for Encumbrances	Funded	Unfunded
12-20	Acquisition and Purchase of Block 1171, Lot 1	\$ 293,100.00			\$ 796.90		\$ 796.90	\$ 293,100.00	
15-20	Various Capital Improvements and Acquisitions		\$ 167,383.43		177,635.31	\$ 176,135.31	117,082.00		\$ 51,801.43
16-20	Various Capital Improvements and Acquisitions		111,572.72		234,702.28	71,779.06	175,573.88		98,922.06
17-20	Various Capital Improvements and Acquisitions		130,685.46		77,221.69	71,403.39	49,003.76		87,500.00
09-21	Various Capital Improvements and Acquisitions		679,105.74		1,051,697.54	433,247.06	983,071.53		314,484.69
10-21	Various Capital Improvements and Acquisitions		348,962.30		266,287.70	508,071.33	12,678.43		94,500.24
11-21	Various Capital Improvements and Acquisitions	104,841.00	2,245,159.00		13,326.00	1,468,265.40	555,884.05		339,176.55
12-21	Various Capital Improvements and Acquisitions		4,803,012.20		327,615.80	472,687.74	66,499.63		4,591,440.63
07-22	Dredging of the Nejecho Beach Lagoon			\$ 300,000.00		300,000.00			
08-22	Various Capital Improvements and Acquisitions			2,375,677.00		133,261.12	1,744,713.46		497,702.42
09-22	Various Capital Improvements and Acquisitions			452,320.00		106,356.11	15,266.42		330,697.47
10-22	Various Capital Improvements and Acquisitions			3,286,303.00		1,051,623.80	492,507.80		1,742,171.40
11-22	Various Capital Improvements and Acquisitions			3,885,700.00		58,789.76	561,961.92		3,264,948.32
		<u>\$2,342,247.86</u>	<u>\$20,347,929.78</u>	<u>\$10,300,000.00</u>	<u>\$6,661,954.99</u>	<u>\$ 9,669,868.64</u>	<u>\$6,615,668.74</u>	<u>\$ 1,019,133.99</u>	<u>\$22,347,461.26</u>
		C	C	C-12	C-13	C-2	C-13	C	C/C-7
Deferred Charges to Future Taxation - Unfunded				\$ 9,785,700.00					
Capital Improvement Fund				514,300.00					
				<u>\$10,300,000.00</u>					

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
SCHEDULE OF RESERVE FOR ENCUMBRANCES

	<u>Ref.</u>	
Balance, December 31, 2021	C	\$ 6,661,954.99
Increased by:		
Charged to Improvement Authorizations	C-12	6,615,668.74
		<u>13,277,623.73</u>
Decreased by:		
Applied to Improvement Authorizations	C-12	6,661,954.99
		<u>6,661,954.99</u>
Balance, December 31, 2022	C	<u><u>\$ 6,615,668.74</u></u>

SCHEDULE OF DAM RESTORATION LOAN PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2021	C	\$ 507,395.52
Decreased by:		
Paid by Budget Appropriation	C-6	36,110.11
		<u>36,110.11</u>
Balance, December 31, 2022	C	<u><u>\$ 471,285.41</u></u>

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND  
 COMMUNITY AFFAIRS DEMOLITION BOND LOAN PAYABLE

	<u>Ref.</u>	
Balance, December 31, 2021	C	\$ 180,000.00
Decreased by:		
Paid by Budget Appropriation	C-6	<u>30,000.00</u>
Balance, December 31, 2022	C	<u><u>\$ 150,000.00</u></u>

SCHEDULE OF RESERVE FOR PAYMENT OF DEBT SERVICE

	<u>Ref.</u>	
Balance, December 31, 2022 and 2021	C	<u><u>\$ 1,772,059.84</u></u>

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN, NEW JERSEY

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

Ordinance Number	Improvement Description	Balance December 31, 2021	2022 Authorizations	Bond Anticipation Notes Issued	Special Assessment Bonds Issued	Balance December 31, 2022
07-12	Financing of Certain Improvements Within a Duly Designated Redevelopment Area	\$ 433,993.97				\$ 433,993.97
09-13	Various Capital Improvements and Other Related Expenses	5,356,288.43				5,356,288.43
09-15	Various Capital Improvements and Other Related Expenses	0.50				0.50
12-16	Various Capital Improvements and Other Related Expenses	1,107,390.57				1,107,390.57
08-17	Various Capital Improvements and Other Related Expenses	1.00				1.00
11-17	Various Capital Improvements and Other Related Expenses	1,004,987.15				1,004,987.15
12-18	Various Capital Improvements and Other Related Expenses	55,514.80		\$ 49,870.00		5,644.80
13-18	Various Capital Improvements and Other Related Expenses	167,864.26		167,860.00		4.26
14-18	Various Capital Improvements and Other Related Expenses	122,288.16		100,000.00		22,288.16
15-18	Various Capital Improvements and Other Related Expenses	518,839.01		3,000.00		515,839.01
06-19	Various Capital Improvements and Acquisitions	275,390.26		140,000.00		135,390.26
07-19	Various Capital Improvements and Acquisitions	419,286.90		28,075.00		391,211.90
09-19	Various Capital Improvements and Acquisitions	1,955,484.74		1,080,300.00		875,184.74
05-20	Various Capital Improvements and Acquisitions	308,695.45		150,000.00		158,695.45
06-20	Various Capital Improvements and Acquisitions	616,982.00		153,650.00		463,332.00
07-20	Various Capital Improvements and Acquisitions	2,016,011.66		1,620,000.00		396,011.66
08-20	Various Capital Improvements and Acquisitions	731,083.50		64,000.00		667,083.50
15-20	Various Capital Improvements and Acquisitions	294,188.61		170,000.00		124,188.61
16-20	Various Capital Improvements and Acquisitions	328,962.00		235,000.00		93,962.00
17-20	Various Capital Improvements and Acquisitions	498,185.43		445,000.00		53,185.43
09-21	Various Capital Improvements and Acquisitions	1,795,185.00		1,250,000.00		545,185.00
10-21	Various Capital Improvements and Acquisitions	585,560.00		450,000.00		135,560.00
11-21	Various Capital Improvements and Acquisitions	2,245,159.00		300,000.00		1,945,159.00
12-21	Various Capital Improvements and Acquisitions	4,874,096.00		350,000.00		4,524,096.00
07-22	Dredging of the Nejecho Beach Lagoon		\$ 285,700.00		\$ 285,000.00	700.00
08-22	Various Capital Improvements and Acquisitions		2,256,894.00			2,256,894.00
09-22	Various Capital Improvements and Acquisitions		429,704.00			429,704.00
10-22	Various Capital Improvements and Acquisitions		3,121,987.00			3,121,987.00
11-22	Various Capital Improvements and Acquisitions		3,691,415.00			3,691,415.00
		<u>\$ 25,711,438.40</u>	<u>\$ 9,785,700.00</u>	<u>\$ 6,756,755.00</u>	<u>\$ 285,000.00</u>	<u>\$ 28,455,383.40</u>

C-7

C-9

C-8

(Footnote C)

**TOWNSHIP OF BRICK**  
 COUNTY OF OCEAN, NEW JERSEY

GENERAL FIXED ASSET ACCOUNT GROUP  
 SCHEDULE OF INVESTMENTS IN GENERAL FIXED ASSETS

	Balance December 31, <u>2021</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	Balance December 31, <u>2022</u>
General Fixed Assets:				
Land	\$ 29,490,935.82	\$ 297,414.35		\$ 29,788,350.17
Buildings and Improvements	21,406,930.98	13,975.04		21,420,906.02
Furniture, Fixtures and Equipment	<u>35,176,747.76</u>	<u>1,418,411.30</u>	<u>\$ 774,251.31</u>	<u>35,820,907.75</u>
	<u>\$ 86,074,614.56</u>	<u>\$ 1,729,800.69</u>	<u>\$ 774,251.31</u>	<u>\$ 87,030,163.94</u>
<u>Ref.</u>	D			D

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**TOWNSHIP OF BRICK**  
**COUNTY OF OCEAN**  
**PART II**  
**SINGLE AUDIT SECTION**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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

To the Honorable Mayor and  
Members of the Township Committee  
Township of Brick  
Township of Brick, New Jersey

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Township of Brick's, ("Township"), compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Township's major federal programs for the year ended December 31, 2022. The Township's major federal program is identified in the Summary of Auditor's Results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Township complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

## **Auditor's Responsibilities for the Audit of Compliance**

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

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

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

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

### **Other Matters**

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

### **Report on Internal Control over Compliance**

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

weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

*Charles J. Fallon, CPA, RMA*

Charles J. Fallon  
Certified Public Accountant  
Registered Municipal Accountant #506

*Fallon & Company LLP*

FALLON & COMPANY LLP

Hazlet, New Jersey  
April 12, 2023

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN  
STATE OF NEW JERSEY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2022

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Grant Number/ Pass Through Grant Number	Federal CFDA Number	Grant Period	Grant/Loan Award	Federal Expenditures	Cumulative Expenditures
<b>Grant Fund:</b>						
US Department of Justice:						
2019 Bulletproof Vest Partnership Grant	2019-BUBX-16083058	16.607	09/01/20 - 8/31/21	\$ 28,745.07		\$ 28,736.75
2020 Bulletproof Vest Partnership Grant	2020-BUBX-16083058	16.607	09/01/21 - 8/31/22	36,022.00	\$ 35,255.40	35,255.40
2019 Body Worn Camera Grant	2019-BC-BX-0038	16.835	10/1/19 - 09/30/22	85,000.00	85,000.00	85,000.00
COPS in Office Stop School Violence - 2019	2018SVWX0047	16.710	10/01/18 - 09/30/20	625,708.00	469,281.00	469,281.00
Total US Department of Justice				<u>775,475.07</u>	<u>589,536.40</u>	<u>618,273.15</u>
US Department of Housing and Urban Development:						
2017 Community Development Block Grant	B-17-MC-34-0122	14.218	Open	247,077.00	74,493.83	247,077.00
2019 Community Development Block Grant	B-19-MC-34-0122	14.218	Open	299,207.00	156,404.40	297,837.29
2020 Community Development Block Grant	B-20-MC-34-0122	14.218	Open	302,355.00	24,555.36	105,034.06
2020 Community Development Block Grant - COVID-19 Rd. 1	B-20-MV-34-0122	14.218	Open	177,866.00	41,058.78	149,708.73
2020 Community Development Block Grant - COVID-19 Rd. 2	B-20-MV-34-0122	14.218	Open	494,766.00	200,400.38	304,201.62
2021 Community Development Block Grant	B-21-MC-34-0122	14.218	Open	315,888.00	181,323.91	200,993.91
2022 Community Development Block Grant	B-22-MC-34-0122	14.218	Open	310,817.00	7,075.00	7,075.00
Total US Department of Housing and Urban Development				<u>2,147,976.00</u>	<u>685,311.66</u>	<u>1,311,927.61</u>
US Department of Transportation:						
NJ Department of Law and Public Safety:						
Division of Highway Traffic Safety:						
2022 Drive Sober or Get Pulled Over Year End Holiday Crackdown	AL-23-45-08-MH-36	20.616	12/02/22 - 01/01/23	7,000.00	3,960.09	3,960.09
2022 Click It or Ticket	OP-22-11-04-MC-22	20.616	05/23/22 - 06/05/22	8,750.00	8,400.00	8,400.00
2022 Distracted Driving Crackdown Grant	PT-22-03-04-31	20.600	10/01/21 - 09/30/22	24,960.00	24,960.00	24,960.00
Total US Department of Transportation				<u>40,710.00</u>	<u>37,320.09</u>	<u>37,320.09</u>
US Department of Homeland Security:						
Passed Through - NJ Department of Law and Public Safety:						
Passed Through - County of Ocean:						
2022 - Homeland Security Grant	DHS-22-GPD-067-00-01	97.067	09/01/22 - 08/31/25	10,000.00	9,935.00	9,935.00
Total US Department of Homeland Security				<u>10,000.00</u>	<u>9,935.00</u>	<u>9,935.00</u>

The accompanying notes are an integral part of this schedule.

**TOWNSHIP OF BRICK**  
COUNTY OF OCEAN  
STATE OF NEW JERSEY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For The Year Ended December 31, 2022

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Grant Number/ Pass Through Grant Number	Federal CFDA Number	Grant Period	Grant/Loan Award	Federal Expenditures	Cumulative Expenditures
US Department of Health and Human Services:						
Passed through - County of Ocean:						
Special Programs for the Aging Title III Part B	15-060 IIIB	93.044	1/01/22 - 12/31/22	\$ 135,574.00	\$ 135,574.00	\$ 135,574.00
Special Programs for the Aging Title III Part E	15-060 IIIE	93.044	1/01/22 - 12/31/22	39,080.00	39,080.00	39,080.00
Senior Citizens Grant CARES Title III B & E	15-060 IIIB/15-060 IIIE	93.044	1/01/20 - 12/31/20	40,279.00	8,346.31	40,279.00
Total US Department of Health and Human Services				<u>214,933.00</u>	<u>183,000.31</u>	<u>214,933.00</u>
US Fish and Wildlife Service:						
Passed Through - NJ Department of Environmental Protection:						
Passed Through - County of Ocean:						
2021 - Ocean County Pump Out Boat	34M940014M9401	20.219	03/20/22 - 12/31/22	40,000.00	23,468.06	23,468.06
2021 - Ocean County Pump Out Boat	34M940014M9401	20.219	03/20/21 - 12/31/21	40,000.00	1,351.45	33,939.37
Total US Fish and Wildlife Service				<u>80,000.00</u>	<u>24,819.51</u>	<u>57,407.43</u>
<b>Current Fund:</b>						
US Department of the Treasury, Departmental Offices:						
Passed through - County of Ocean:						
Coronavirus State and Local Fiscal Recovery Fund						
COVID 19 - American Rescue Plan	N/A	21.027	N/A	3,958,920.00	3,958,920.00	3,958,920.00
				<u>3,958,920.00</u>	<u>3,958,920.00</u>	<u>3,958,920.00</u>
<b>Trust Other Fund:</b>						
US Department of Justice						
Asset Forfeiture Program	N/A	16.922	Open	-	8,585.73	8,585.73
				<u>-</u>	<u>8,585.73</u>	<u>8,585.73</u>
Total Federal Awards				<u>\$ 7,228,014.07</u>	<u>\$ 5,497,428.70</u>	<u>\$ 6,217,302.01</u>

The accompanying notes are an integral part of this schedule.

**TOWNSHIP OF BRICK**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE 1. BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance (the “schedules”) include federal and state award activity of the Township of Brick (the “Township”) under programs of the federal government and state government for the year ended December 31, 2022. The Township is defined in Note 1 to the financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. All federal and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the Township, it is not intended to and does not present the financial position and changes in operations of the Township.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedules are reported on the modified accrual basis of accounting as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. This basis of accounting is described in Note 1 to the financial statements. Such expenditures are recognized following, as applicable, either the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3. INDIRECT COST RATE**

The Township has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 4. RELATIONSHIP TO THE FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedules agree with amounts reported in the Township’s financial statements.

	<u>Federal (SEFA)</u>
Expenditures:	
Grant Fund	\$ 1,529,922.97
Current Fund	3,958,920.00
Trust Fund	8,585.73
Total fund expenditures	5,497,428.70
Total Schedule of Awards	\$ 5,497,428.70

**TOWNSHIP OF BRICK**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE 5. MAJOR PROGRAMS**

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



**TOWNSHIP OF BRICK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued on whether the financial Statements audited were prepared in accordance with:  
GAAP  
Regulatory Basis Opinion (described in Note 1)

Adverse  
Unmodified

Internal control over financial reporting:

Material weakness identified? \_\_\_\_\_ Yes   X   No

Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes   X   No

**a) Federal Awards**

Internal Control over major programs:

Material weakness(es) identified? \_\_\_\_\_ Yes   X   No

Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   None reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? \_\_\_\_\_ Yes   X   No

Identification of major federal programs:

Name of Federal Program or Cluster

Coronavirus State and Local Fiscal Recovery Fund, COVID 19 – American Rescue Plan, CFDA #21.027

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000.00

Auditee qualified as low risk auditee? \_\_\_\_\_ Yes   X   No

**TOWNSHIP OF BRICK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Section II - Schedule of Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires.

**None**

**TOWNSHIP OF BRICK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Section III - Schedule of Federal Award Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**None**

**TOWNSHIP OF BRICK  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**Section IV - Schedule of State Financial Assistance Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

**None**

**TOWNSHIP OF BRICK**  
**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB.

**Financial Statement Findings**

None.

**Federal Awards**

None.

**State Financial Assistance Programs**

None.

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**TOWNSHIP OF BRICK**

**COUNTY OF OCEAN**

**PART III**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

## GENERAL COMMENTS

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

N.J.S. 40A:11-4 states, “Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, the bid threshold shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law”.

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Township Counsel’s opinion should be sought before a commitment is made.

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

Roadway Resurfacing Contract – Pine Terrace Section	Landscape Maintenance Services at Solar Field Road Improvements to Lawrence Drive and Old Silverton Road
Employees’ and Retirees’ Health Benefits Insurance Coverage	Mobile Ice Cream Truck
Stop Loss Insurance for Employees and Retirees	Roadway Improvements to Woodland Valley – Phase III
Prescription Coverage for Employees and Retirees	Printing Services
Vision Coverage for Employees and Retirees	Nejecho Lagoon Dredge and Windward Beach Nourishment Project
Tree Trimming, Removal and Disposal Services	Police Department Special Operations Garage
On-Site Environmentally Safe Truck Wash Services	Police Extra-Duty Assignments
Sign Materials	Roadway Resurfacing Contract – Point Pleasant Manor, Phase II
COBRA Coverage Benefit Consulting	Flood Control Valves
Tree Trimming, Removal and Disposal Services	Rental and Laundry of Public Works Uniforms, Rental of Floor Mats, Rags and Fender Covers
On-Site Environmentally Safe Truck Wash Services	General Athletic Equipment and Supplies
Sign Materials	Automated Chest Compression Devices
COBRA Coverage Benefit Consulting	CDBG Housing Rehabilitation, Project #21-03
Statutory Disability Coverage	Roadway Improvements – Riviera Beach, Phase III
Maintenance and Support Services for the New World Public Safety Software Suite	Automotive Parts, Supplies and Repairs for Vehicles Under 15,000 GVW
CDBG Housing Rehabilitation Program, Project #19-11	Heating, Ventilating and Air Conditioning Maintenance and Repair Services
CDBG Housing Rehabilitation Program, Project #19-20	Computer and Printer Supplies
CDBG Housing Rehabilitation Program, Project #19-16	Ten (10) Front Load Dumpsters
Seasonal Turf Chemical Application Program	One (1) 20 C.Y. Rear Loading Refuse Collection Vehicle 2024 Peterbilt 548
Janitorial Supplies	Two (2) 33 C.Y. Automated Side Loading Refuse Collection Vehicles
Oregon Avenue Drainage Improvements – Pipe Reconstruction	Stepp Parts, Supplies and Repairs
Beer & Wine Garden Concession	Fletcher Street Drainage Extension
Fireworks Exhibitions	
Summerfest Food Truck Vendors	
Operation of Brick Beach 1 Food Concession Stand	



## GENERAL COMMENTS (continued)

### Contracts and Agreements Required to Be Advertised for N.J.S. 40A:11-4 (continued)

Fletcher Street Drainage Extension	2023 Model Year Micro Bird G5 Bus
Roadway Resurfacing Contract – Siclar Estates, Phase II	Employee Temporary Disability Coverage Dental Program
Addition to Access Control System	

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.

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for “Professional Services” per N.J.S. 40A:11-5.

Our examination of expenditures did not reveal individual payments in excess of the bid threshold “for the provision or performance of any goods or services” other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6.

### Purchases, Contracts or Agreements Not Required to be Advertised by N.J.S. 40A:11-6.1

N.J.S. 40A:11-6.1 states, “For all contracts that in the aggregate are less than the bid threshold but exceed 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L. 1971, c. 198 (C.40A:11-5), except for paragraph (a) of that subsection concerning professional services and paragraph (b) of that subsection concerning work by employees of the contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered”.

### Collection of Interest on Delinquent Taxes and Assessments

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

The Governing Body, on January 1, 2022 adopted the following resolution authorizing interest to be charged on delinquent taxes and assessments:

IT IS HEREBY RESOLVED by the Township Council of the Township of Brick, in accordance with N.J.S.A. 54:4-67, to permit the fixing of the interest to be charged on taxes and assessments at 8% per annum on the first \$1,500.00 and allows 18% on any amount in excess of \$1,500.00 to be calculated from statutory due date until actual payment. Additional penalty of 6% to be collected against a delinquency in excess of \$10,000.00 on properties that remain unpaid at the end of the calendar year. There will be allowed the maximum ten (10) day grace period on quarterly tax payments.

**GENERAL COMMENTS (continued)**

Collection of Interest on Delinquent Taxes and Assessments (continued)

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

Tax Sale

The last tax sale was held on September 27, 2022 and it was complete.

Tax Title Liens

The number of tax title liens receivable as of December 31<sup>st</sup> of the last three (3) years:

<u>Year</u>	<u>Number of Liens</u>
2022	11
2021	9
2020	10

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a taxpaying basis. Certain liens have been in existence for greater than two years.

**Other Comments:**

None.

**TOWNSHIP OF BRICK  
COUNTY OF OCEAN**

**OFFICIALS IN OFFICE AND SURETY BONDS**

The following officials were in office during the period under audit:

<b><u>Name</u></b>	<b><u>Title</u></b>
John G. Ducey	Mayor
Vince Minichino	Council President
Arthur Halloran	Council Vice President
Heather DeJong	Councilwoman
Andrea Zapcic	Councilman
Perry Albanese	Councilman
Marianna Pontoriero	Councilwoman
Lisa Crate	Councilwoman
Lynnette Iannarone	Township Clerk/Municipal Improvement Search Officer
Maureen Laffey-Berg	Chief Financial Officer
Joanne Bergin	Business Administrator
Kelly Napolitano	Tax Collector
Joseph D. Grisanti	Judge
Michele Edgin	Court Administrator
Kevin Starkey	Township Attorney

All employees are covered by a Faithful Performance Blanket Position Bond in the amount of \$950,000.00 with the Ocean County Municipal Joint Insurance Fund.

There are blanket bonds for secondary coverage with the Municipal Excess Liability Joint Insurance Fund in the amount of \$50,000.00 for Public Employees. These bonds are subject to deductibles based upon other required coverages.

Appreciation

We express our appreciation for the assistance and courtesies rendered by the Township officials and employees during the course of the audit.

Respectfully submitted,

*Charles J. Fallon, CPA, RMA*

Charles J. Fallon  
Registered Municipal Accountant #506

For the Firm  
FALLON & COMPANY LLP

**APPENDIX C**

**FORM OF APPROVING LEGAL OPINION**

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90 Woodbridge Center Drive  
Suite 900 Box 10  
Woodbridge, NJ 07095-0958  
732.636.8000

June \_\_\_\_, 2023

Mayor and Township Council of the  
Township of Brick  
Brick, New Jersey

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Township Council of the Township of Brick, in the County of Ocean (the "Township"), a municipal corporation organized and existing under the laws of the State of New Jersey, and other proofs submitted to us relative to the authorization, sale, issuance, execution and delivery of the \$23,732,739 aggregate principal amount of Bond Anticipation Notes, Series 2023 (the "Notes") of the Township. The Notes are dated June 13, 2023, mature on June 12, 2024 and bear interest at the rate of five per centum (5.00%) per annum.

The Notes are issued in fully registered book-entry-only form, without coupons, initially registered in the name of, and held by, Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), an automated depository for securities and clearing house for securities transactions. Individual purchases of the Notes will be made in book-entry only form, without certificates, in principal denominations of \$1,000 each or any integral multiple thereof, with a minimum purchase of \$5,000 required, or any odd denomination thereof, through book entries made on the books and records of DTC and its participants. So long as DTC or its nominee is the registered owner of the Notes, payments of the principal of and interest on the Notes will be made by the Township or a duly designated paying agent directly to Cede & Co., as nominee for DTC, which will, in turn, remit such payments to DTC participants, which will, in turn, remit such payments to the beneficial owners of the Notes.

The Notes are not subject to redemption prior to their stated date of maturity.

The Notes are authorized by, and are issued pursuant to, (i) the provisions of the Local Bond Law of the State of New Jersey, N.J.S.A. 40A:2-1 et seq., as amended and supplemented (the "Local Bond Law"); (ii) various bond ordinances duly adopted by the Township Council of the Township, approved by the Mayor, and published as required by law (the "Ordinances"); and (iii) a resolution duly adopted by the Township Council of the Township on May 23, 2023 (the "Resolution").

The Notes are being issued to: (i) refund, on a current basis, a \$15,210,939 principal portion of prior bond anticipation notes of the Township issued in the aggregate principal amount of \$15,211,155 on June 16, 2022 and maturing on June 15, 2023 (the "Prior Notes") (with the remaining principal portion of such Prior Notes being paid by other funds available to the Township in the amount of \$216), and (ii) temporarily finance the cost of various capital improvements and acquisitions in and

by the Township in the amount of \$8,521,800, including paying the costs associated with the issuance of the Notes.

We are of the opinion that (i) such proceedings and proofs show lawful authority for the authorization, sale, issuance, execution and delivery of the Notes pursuant to the Local Bond Law, the Ordinances, and the Resolution; (ii) the Notes have been duly authorized, executed and delivered and constitute valid and legally binding general obligations of the Township enforceable in accordance with their terms; and (iii) the Township has pledged its full faith and credit for the payment of the principal of and interest on the Notes and, unless paid from other sources, all the taxable property located within the Township is subject to the levy of *ad valorem* taxes, without limitation as to rate or amount, for the payment of the principal of and interest on the Notes.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements which must be met at the time of, and on a continuing basis subsequent to, the issuance and delivery of the Notes in order for the interest thereon to be and remain excludable from gross income for Federal income tax purposes under Section 103 of the Code. Noncompliance with such requirements could cause the interest on the Notes to be included in gross income for Federal income tax purposes retroactive to the date of the issuance of the Notes. The Township has covenanted in a tax certificate relating to the Notes to maintain the exclusion of the interest on the Notes from gross income for Federal income tax purposes pursuant to Section 103(a) of the Code.

In our opinion, under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance by the Township with the requirements of the Code and aforementioned covenants and representations stated in its tax certificate, interest on the Notes is not includable for Federal income tax purposes in the gross income of the owners of the Notes pursuant to Section 103 of the Code. The Notes are not "specified private activity bonds" within the meaning of Section 57 of the Code and, therefore, the interest on the Notes will not be treated as a preference item for purposes of computing the Federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the Federal alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022.

We are also of the opinion that under existing laws of the State of New Jersey, interest on the Notes and any gain on the sale thereof are not includable in gross income under the New Jersey Gross Income Tax Act, 1976 N.J. Laws c. 47, as amended and supplemented.

Except as stated in the preceding paragraphs, we express no opinion as to any Federal, state, local or foreign tax consequences of the ownership or disposition of the Notes. Furthermore, we express no opinion as to any Federal, state, local or foreign tax law consequences with respect to the Notes, or the interest thereon, if any action is taken with respect to the Notes or the proceeds thereof upon the advice or approval of other bond counsel.



This opinion is qualified to the extent that the enforceability of the rights or remedies with respect to the Notes may be limited by bankruptcy, insolvency, debt adjustment, moratorium, reorganization or other similar laws affecting creditors' rights or remedies heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

This opinion is rendered on the basis of Federal law and the laws of the State of New Jersey as enacted and construed on the date hereof.

We have examined the form of the executed Note and, in our opinion, the form of the Note is regular and proper.

Very truly yours,

WILENTZ, GOLDMAN & SPITZER, P.A.

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**APPENDIX D**

**FORM OF CERTIFICATE OF COMPLIANCE WITH SECONDARY  
MARKET DISCLOSURE REQUIREMENTS**

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## CERTIFICATE OF COMPLIANCE WITH SECONDARY MARKET DISCLOSURE REQUIREMENTS

I, MAUREEN LAFFEY-BERG, Chief Financial Officer of the Township of Brick, in the County of Ocean (the "Township"), a municipal corporation organized and existing under the laws of the State of New Jersey, DO HEREBY CERTIFY in connection with the authorization, sale, issuance, execution and delivery of the Township's \$23,732,739 aggregate principal amount of Bond Anticipation Notes, Series 2023, dated June 13, 2023 and maturing on June 12, 2024 (the "Notes"), that pursuant to the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented (the "Rule"), specifically subsections (d)(3) and (b)(5)(i)(C) thereof, the Township (or its duly appointed Dissemination Agent) will provide notice of certain material events (the "Notice") to the Municipal Securities Rulemaking Board (the "MSRB") via its Electronic Municipal Market Access system ("EMMA") as a Portable Document File (PDF file) to [www.emma.msrb.org](http://www.emma.msrb.org) of any of the following events with respect to the Notes herein described, as applicable: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions or other material events effecting the tax-exempt status of the security; (7) modifications to rights of security holders, if material; (8) bond calls, if material, and lender offers; (9) defeasances; (10) release, substitution or sale of property securing repayment of the securities, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the Township; (13) consummation of a merger, consolidation, or acquisition, or sale of all or substantially all of the assets of the Township other than in the ordinary course of business, entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such action, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or change of name of a trustee, if material; (15) incurrence of a Financial Obligation (as defined below), if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect Noteholders, if material; or (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties (collectively, the "Listed Events").

*"Financial Obligation"* shall mean a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) listed hereinabove. The term *"Financial Obligation"* shall not include municipal securities as to which a final official statement has been provided to the MSRB, through the EMMA system, consistent with the Rule.

If the Township (or its duly appointed Dissemination Agent) (a) has or obtains knowledge of the occurrence of any of the Listed Events not requiring a materiality determination, or (b) determines that the occurrence of a Listed Event requiring a materiality determination would be material to the Beneficial Owners of the Notes, the Township (or its duly appointed Dissemination Agent) shall file a Notice of each such occurrence with the MSRB via EMMA in a timely manner not in excess of ten (10) business days.

The Township's obligations under this Certificate shall terminate upon the redemption, defeasance or payment in full of the Notes.

In the event the Township fails to comply with any provision of this Certificate, any Noteholder may take such action as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Township to comply with its obligations under this Certificate. Notwithstanding the above, the remedy for a breach of the provisions of this Certificate or the Township's failure to perform hereunder shall be limited to bringing an action to compel specific performance.

This Certificate shall inure solely to the benefit of the Township, the purchaser and the holders from time to time of the Notes, and shall create no further rights in any other person or entity hereunder.

The Township may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be NW Financial Group, LLC, Hoboken, New Jersey. The Township shall compensate the Dissemination Agent (which shall be appointed) for the performance of its obligations hereunder in accordance with an agreed upon fee structure.

IN WITNESS WHEREOF, I have hereunto set my hand on behalf of the Township this 13<sup>th</sup> day of June, 2023.

**TOWNSHIP OF BRICK  
IN THE COUNTY OF OCEAN,  
STATE OF NEW JERSEY**

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**MAUREEN LAFFEY-BERG,  
Chief Financial Officer**

**Acknowledged and Accepted by:**

**NW FINANCIAL GROUP, LLC,  
as Dissemination Agent**

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**Authorized Signatory**