

This Preliminary Official Statement and the information contained herein are subject to completion and amendment without notice. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. This Preliminary Official Statement is deemed final by the Borough within the meaning and for the purposes of Rule 15c2-12 of the Securities and Exchange Commission.

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 22, 2024

In the opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel, assuming continuing compliance by the Borough (as hereinafter defined) with certain tax covenants described herein, under existing law, interest on the Bonds and the Notes (as hereinafter defined) is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Internal Revenue Code of 1986, as amended ("Code"), and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations. In addition, interest on the Bonds and the Notes may be subject to the branch profits tax imposed on certain foreign corporations and to the tax on "excess net passive income" imposed on S corporations. Interest on the Bonds and the Notes and any gain from the sale thereof are not included in the gross income of owners thereof under the New Jersey Gross Income Tax Act, as presently executed and construed. See "TAX MATTERS" herein.

\$6,000,000*
BOROUGH OF COLLINGSWOOD
County of Camden, New Jersey
GENERAL OBLIGATION BONDS, SERIES 2024
Consisting of:
\$5,500,000* Sewer Utility Bonds
\$500,000* Water Utility Bonds
(Callable) (Bank Qualified)

\$2,850,000
BOROUGH OF COLLINGSWOOD
County of Camden, New Jersey
BOND ANTICIPATION NOTES OF 2024, SERIES A
(Bank Qualified)

Dated Date: Date of Delivery

Bonds Due: March 1, as shown on the inside front cover
Notes Due: March 18, 2025, as shown on the inside front cover

The Borough of Collingswood, County of Camden, New Jersey ("Borough") is issuing: (i) \$6,000,000* aggregate principal amount of its General Obligation Bonds, Series 2024 ("Bonds"); and (ii) \$2,850,000 principal amount of its Bond Anticipation Notes of 2024, Series A ("Notes"). The Bonds consist of: (i) \$5,500,000* Sewer Utility Bonds and (ii) \$500,000* Water Utility Bonds.

The principal of the Bonds shall be paid on the respective maturity dates thereof upon presentation and surrender of the Bonds at the offices of the Borough, or its hereafter designated paying agent, if any. Interest on the Bonds is payable semi-annually on March 1 and September 1 ("Interest Payment Dates"), commencing September 1, 2024, in each year until maturity or earlier redemption. The Bonds are subject to redemption prior to their stated maturity dates on the terms and conditions contained herein.

The Notes shall be dated and bear interest from March 19, 2024 at the rate set forth herein. The Notes shall mature on March 18, 2025 upon presentation and surrender of the Notes at the offices of the Township. Interest on the Notes is payable at maturity. The Notes are not subject to redemption prior to maturity.

Upon initial issuance, the Bonds and the Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, Brooklyn, New York ("DTC"), which will act as securities depository for the Bonds and Notes. So long as Cede & Co. is the registered owner of the Bonds and the Notes, payments of principal and interest on the Bonds and the Notes will be made directly to DTC or its nominee, Cede & Co., which will remit such payments to the Direct Participants (as hereinafter defined) which will, in turn, remit such payments to the Beneficial Owners (as hereinafter defined) of the Bonds and the Notes. Purchasers will not receive certificates representing their ownership interest in the Bonds and the Notes purchased. For so long as any purchaser is a Beneficial Owner of a Bond and the Notes, such purchaser must maintain an account with a broker or dealer who is, or acts through, a Direct Participant to receive payment of the principal of and interest on such Bond and Note.

The Bonds are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) bond ordinances 1655 and 1772 (collectively, the "Bond Ordinances"), each duly and finally adopted by the Board of Commissioners and published in accordance with the requirements of the Local Bond Law; (iii) a resolution adopted by the Board of Commissioners on February 5, 2024; and (iv) a Certificate of Determination and Award executed by the Chief Financial Officer of the Borough on February __, 2024.

The Bonds are being issued by the Borough to provide funds which will be used to: (i) permanently finance the costs of various capital improvements and the acquisition of various capital equipment, for which obligations have been authorized, but not yet issued; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Bonds.

The Notes are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) bond ordinance 1655 ("Note Ordinance"), duly and finally adopted by the Board of Commissioners and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Borough on February __, 2024.

The Notes are being issued by the Borough to provide funds which will be used to: (i) temporarily finance the costs of capital improvements which obligations have been authorized, but not yet issued; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Notes.

The full faith and credit of the Borough are irrevocably pledged for the payment of the principal of and interest on the Bonds and the Notes. The Bonds and the Notes are general obligations of the Borough payable as to principal and interest from *ad valorem* taxes that shall be levied upon all taxable real property within the Borough without limitation as to rate or amount.

This cover contains certain information for quick reference only. It is *not* a summary of this issue. Investors must read the entire Official Statement, including the Appendices attached hereto, to obtain information essential to their making of an informed investment decision.

The Bonds and the Notes are offered when, as and if issued, subject to prior approval of legality by the law firm of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the Borough, and certain other conditions described herein. Certain legal matters will be passed upon for the Borough by its Solicitor, Joseph M. Nardi, III., Esquire, of the law firm Brown & Connery, LLP, Westmont, New Jersey. Phoenix Advisors, LLC, Bordentown, New Jersey, has acted as Municipal Advisor to the Borough in connection with the issuance of the Bonds and the Notes. It is anticipated that the Bonds and the Notes in definitive form will be available for delivery, in immediately available funds, through DTC in Brooklyn, New York on or about March 19, 2024.

ELECTRONIC SUBMISSIONS FOR THE BONDS AND THE NOTES WILL BE RECEIVED VIA PARITY UNTIL 11:00 A.M. ON FEBRUARY 29, 2024. FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY VIEW THE RESPECTIVE NOTICES OF SALE POSTED AT WWW.MUNIHUB.COM.

* Preliminary, subject to change

BOROUGH OF COLLINGSWOOD

County of Camden, New Jersey

\$6,000,000* General Obligation Bonds, Series 2024

Consisting of:

\$5,500,000* Sewer Utility Bonds**\$500,000* Water Utility Bonds****MATURITY, PRINCIPAL AMOUNTS, INTEREST RATE, YIELD AND CUSIP****

Maturity Date <u>(March 1)</u>	<u>Sewer Utility*</u>	<u>Water</u> <u>Utility*</u>	<u>Combined*</u>	Interest <u>Rate</u> %	<u>Yield</u> %	<u>CUSIP**</u>
2025	\$115,000	\$30,000	\$145,000			194756__
2026	120,000	40,000	160,000			194756__
2027	125,000	45,000	170,000			194756__
2028	130,000	45,000	175,000			194756__
2029	135,000	55,000	190,000			194756__
2030	140,000	55,000	195,000			194756__
2031	145,000	55,000	200,000			194756__
2032	150,000	55,000	205,000			194756__
2033	155,000	60,000	215,000			194756__
2034	160,000	60,000	220,000			194756__
2035	165,000		165,000			194756__
2036	170,000		170,000			194756__
2037	175,000		175,000			194756__
2038	180,000		180,000			194756__
2039	185,000		185,000			194756__
2040	190,000		190,000			194756__
2041	195,000		195,000			194756__
2042	200,000		200,000			194756__
2043	205,000		205,000			194756__
2044	210,000		210,000			194756__
2045	215,000		215,000			194756__
2046	220,000		220,000			194756__
2047	225,000		225,000			194756__
2048	225,000		225,000			194756__
2049	225,000		225,000			194756__
2050	225,000		225,000			194756__
2051	225,000		225,000			194756__
2052	230,000		230,000			194756__
2053	230,000		230,000			194756__
2054	230,000		230,000			194756__

\$2,850,000 Bond Anticipation Notes of 2024, Series A**MATURITY, PRINCIPAL AMOUNT, INTEREST RATE, YIELD AND CUSIP****

<u>Maturity</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>CUSIP**</u>
March 18, 2025	\$2,850,000	%	%	

* Preliminary, subject to change

** A 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 numbers listed above are being provided solely for the convenience of holders of the Bonds and the Notes only at the time of issuance of the Bonds and the Notes. The Borough does not make any representation with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for the specified maturities of the Bonds and the Notes are subject to being changed after the issuance of the Bonds and Notes as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds and the Notes.

**BOROUGH OF COLLINGSWOOD
COUNTY OF CAMDEN, NEW JERSEY**

BOARD OF COMMISSIONERS

M. James Maley, Jr., Mayor
Morgan Robinson, Commissioner
Robert Lewandowski, Commissioner

BOROUGH ADMINISTRATOR

Cassandra Duffey

CHIEF FINANCIAL OFFICER

Elizabeth Pigliacelli

TAX COLLECTOR

William Giordano

BOROUGH CLERK

K. Holly Mannel

BOROUGH ATTORNEY

Joseph M. Nardi, III, Esq.
Brown & Connery, LLP
Westmont, New Jersey

AUDITOR

Ford, Scott and Associates LLC
Ocean City, New Jersey

BOND COUNSEL

Parker McCay P.A.
Mount Laurel, New Jersey

MUNICIPAL ADVISOR

Phoenix Advisors, LLC
Bordentown, New Jersey

The information which is set forth herein has been provided by the Borough of Collingswood, County of Camden, New Jersey ("Borough"), The Depository Trust Company ("DTC") and by other sources which are believed to be reliable by the Borough, but the information provided by such sources is not guaranteed as to accuracy or completeness by the Borough. Certain general and financial information concerning the Borough is contained in Appendices "A" and "B" to this Official Statement. Such information has been furnished by the Borough.

No broker, dealer, salesperson or other person has been authorized by the Borough to give any information or to make any representations with respect to the Bonds and the Notes other than those contained in this Official Statement and, if given or made, such information or representations must not be relied upon as having been authorized by the Borough. The information contained herein has been provided by the Borough and other sources deemed reliable; however, no representation or warranty is made as to its accuracy or completeness and such information is not to be construed as a representation or warranty by any underwriter or, as to information from sources other than itself, by the Borough. 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.

References in this Official Statement to laws, rules, regulations, bond ordinances, agreements, reports and other 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, and copies of which may be inspected at the office of the Borough Clerk during normal business hours.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor there be any sale of the Bonds and the Notes in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale.

Upon issuance, the Bonds and the Notes will not be registered under the Securities Act of 1933, as amended, will not be listed on any stock or other securities exchange and neither the Securities and Exchange Commission nor any other federal, State, municipal or other governmental entity will have passed upon the accuracy or adequacy of this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AND 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 WITHOUT PRIOR NOTICE.

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

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OFFICIAL STATEMENT

\$6,000,000*

BOROUGH OF COLLINGSWOOD

County of Camden, New Jersey

GENERAL OBLIGATION BONDS, SERIES 2024

Consisting of:

\$5,500,000* Sewer Utility Bonds

and

\$500,000* Water Utility Bonds

(Callable) (Bank Qualified)

\$2,850,000

BOROUGH OF COLLINGSWOOD

County of Camden, New Jersey

BOND ANTICIPATION NOTES OF 2024, SERIES A

(Bank Qualified)

INTRODUCTION

The purpose of this Official Statement, including the cover page and Appendices attached hereto, is to provide certain information relating to the issuance by the Borough of Collingswood, County of Camden, New Jersey ("Borough"), of its: (i) \$6,000,000* aggregate principal amount of General Obligation Bonds, Series 2024 ("Bonds"); and (ii) \$2,850,000 principal amount of its Bond Anticipation Notes of 2024, Series A ("Notes"). The Bonds consist of: (i) \$5,500,000* Sewer Utility Bonds and (ii) \$500,000* Water Utility Bonds.

AUTHORIZATION FOR THE BONDS AND THE NOTES

Bonds

The Bonds are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey ("State"), as amended and supplemented ("Local Bond Law"); (ii) bond ordinances 1655 and 1772 (collectively, the "Bond Ordinances"), each duly and finally adopted by the Board of Commissioners and published in accordance with the requirements of the Local Bond Law; (iii) a resolution adopted by the Board of Commissioners on February 5, 2024; and (iv) a Certificate of Determination and Award executed by the Chief Financial Officer of the Borough on February __, 2024 ("Award Certificate").

Notes

The Notes are authorized to be issued pursuant to: (i) the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey ("State"), as amended and supplemented ("Local Bond Law"); (ii) bond ordinance 1655 ("Note Ordinance"), duly and finally adopted by the Board of Commissioners and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Borough on February __, 2024 ("Award Certificate").

* Preliminary, subject to change.

PURPOSE OF THE ISSUE

Bonds

The Bonds are being issued by the Borough to provide funds which will be used to: (i) permanently finance the costs of various capital improvements and the acquisition of various capital equipment, for which obligation have been authorized but not yet issued; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Bonds.

The improvements to be permanently financed with the proceeds of the Bonds include the following:

Sewer Utility Bonds

Ordinance Number	Improvements	Amount Authorized	Bonds to be Issued
1655	Construction of Public Works Building (Sewer Utility Portion) & related Sewer Utility Improvements.	\$4,000,000*	\$2,000,000
1772	Supplemental Funding for the Construction of a Public Works Building (Sewer Utility Portion) in and for the Borough, together with related Sewer Utility Improvements.	3,500,000	3,500,000
Total:		\$7,500,000	\$5,500,000

Water Utility Bonds

Ordinance Number	Improvements	Amount Authorized	Bonds to be Issued
1655	Water Utility Improvements in Connection to Public Works Building	\$500,000	\$500,000
Total:		\$500,000	\$500,000

Notes

The Notes are being issued by the Borough to provide funds which will be used to: (i) temporarily finance the costs of various capital improvements in and for the Borough; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Notes.

The improvements to be permanently financed with the proceeds of the Notes include the following:

* \$2,000,000 permanently financed through Borough's prior issuance of General Obligation Bonds, Series 2020 on March 12, 2020.

Bond Anticipation Notes

Ordinance Number	Improvements	Amount Authorized	Bonds to be Issued
1655	Construction of Public Works Building (General Capital Portion)	\$2,850,000	\$2,850,000
Total:		\$2,850,000	\$2,850,000

DESCRIPTION OF THE BONDS AND THE NOTES

General

Bonds

The Bonds will be issued in the aggregate principal amount of \$6,000,000*. The Bonds will be dated their date of delivery and bear interest from that date at the interest rates set forth on the inside front cover hereof. Interest on the Bonds is payable March 1 and September 1 (each an "Interest Payment Date" and collectively, "Interest Payment Dates"), commencing September 1, 2024, in each year until maturity or earlier redemption.

Individual purchases of the Bonds may be made in the principal amount of \$5,000, or any integral multiple of \$5,000, and in integral multiples of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Bonds, through book-entries made on the books and the records of DTC (as hereinafter defined) and its participants. See "DESCRIPTION OF THE BONDS – Book-Entry-Only System" below. The Bonds will mature on May 1 in the years and in the principal amounts, all as shown on the inside front cover page of this Official Statement.

The Bonds will be issued in fully registered book-entry only form without coupons. The principal of the Bonds will be payable to the registered owners at maturity upon presentation and surrender of the Bonds at the offices of the Borough, or its hereafter designated paying agent, if any. Interest on each Bond shall be payable on each Interest Payment Date of such Bond to the registered owner of record thereof appearing on the registration books kept by the Borough for such purpose at the offices of the Borough, or its hereafter designated paying agent, if any, as of the close of business on the fifteenth (15th) day of the calendar month immediately preceding an Interest Payment Date (each a "Record Date").

So long as The Depository Trust Company, Brooklyn, New York ("DTC") or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made directly to Cede & Co., as nominee of DTC. Disbursements of such payments to the participants of DTC ("DTC Participants") is the responsibility of DTC and disbursements of such payments to the Beneficial Owners (as hereinafter defined) of the Bonds is the responsibility of the DTC Participants and not the Borough or any hereinafter designated paying agent.

Notes

The Notes will be issued in the principal amount of \$2,850,000, will be dated their date of delivery and bear interest from that date at the interest rates set forth on the front cover hereof. Interest on the Notes shall be calculated on the basis of twelve (12) thirty (30) day months in a three hundred sixty (360) day year. The Notes are not subject to redemption prior to maturity.

* Preliminary, subject to change

The Notes will be issued as fully registered notes in book-entry only form, if applicable, and when issued, will be registered in the name of and held by Cede & Co., as nominee of DTC. DTC will act as securities depository for the Notes. Principal of and interest on the Notes will be payable by the Borough or a duly designated paying agent on the date of maturity by wire transfer of immediately available funds to DTC or its nominee. Purchases of beneficial interests in the Notes will be made in book-entry only form, without certificates, in denominations of \$5,000, or any integral multiple of \$1,000 in excess thereof, or in such amount necessary to issue the principal amount of the Notes, 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 certificates will be on deposit with DTC, if applicable. 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 Borough or a duly designated paying agent directly to DTC or its nominee, Cede & Co., which will in turn remit such payments to DTC Participants, which will in turn remit such payments to the beneficial owners of the Notes. See "BOOK-ENTRY ONLY SYSTEM" herein.

So long as The Depository Trust Company, Brooklyn, New York ("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 directly to Cede & Co., as nominee of DTC. Disbursements of such payments to the participants of DTC ("DTC Participants") is the responsibility of DTC and disbursements of such payments to the Beneficial Owners (as hereinafter defined) of the Notes is the responsibility of the DTC Participants and not the Borough or any hereinafter designated paying agent.

Redemption Provisions

Bonds

The Bonds maturing on and after May 1, 2032, are subject to redemption prior to their stated maturity dates at the option of the Borough, upon notice as set forth below, as a whole or in part (and, if in part, such maturities as the Borough or its hereinafter designated paying agent, if any) shall determine and within any such maturity by lot) on any date on or after May 1, 2031, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, plus accrued interest to the redemption date.

Notice of redemption shall be given by mailing first class mail in a sealed envelope with postage pre-paid not less than thirty (30) days nor more than sixty (60) days prior to the redemption date to the owner of every Bond of which all or a portion is to be redeemed at his or her last address, if any, appearing on the registration books of the Borough or its hereinafter designated paying agent, if any ("Paying Agent"). So long as the Bonds are issued in book-entry-only form, all notices of redemption will be sent only to DTC or any successor and will not be sent to the beneficial owners of the Bonds. Failure of an owner of the Bonds to receive such notice or of DTC to advise any participant or any failure of a participant to notify any beneficial owner of the Bonds shall not affect the validity of any proceedings for the redemption of Bonds. Such notice shall specify: (i) the series and maturity of the Bonds to be redeemed; (ii) the redemption date and the place or places where amounts that are due and payable upon such redemption will be payable; (iii) if less than all of the Bonds are to be redeemed, the letters and numbers or other distinguishing marks of the Bonds to be redeemed; (iv) in the case of a Bond to be redeemed in part only, the portion of the principal amount thereof to be redeemed; (v) that on the redemption date there shall become due and payable with respect to each Bond or portion thereof to be redeemed the redemption price; and (vi) that from and after the redemption date interest on such Bond or portion thereof to be redeemed shall cease to accrue and be payable.

Notes

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

Book-Entry-Only System*

The description which follows of the procedures and record keeping with respect to beneficial ownership interests in the Bonds and the Notes, payment of principal and interest, and other payments on the Bonds and the Notes to DTC Participants or Beneficial Owners (as such terms is hereinafter defined), confirmation and transfer of beneficial ownership interests in the Bonds and 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 Borough, or its hereinafter designated Paying Agent, if any. Accordingly, the Borough does not make any representations as to the completeness or accuracy of such information.

The DTC will act as securities depository for the Bonds and the Notes. The Bonds and 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 Bond certificate will be issued for each maturity of the Bonds and the Notes, each in the aggregate principal amount of such issue, 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.

Purchases of the Bonds and the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and the Notes on DTC's records. The ownership interest of each actual purchaser of each Bond ("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 Bonds and 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 Bonds and the Notes, except in the event that use of the book-entry system for the Bonds and the Notes is discontinued.

* Source: The Depository Trust Company

To facilitate subsequent transfers, all the Bonds and the 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 the Bonds and the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds and the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds and the 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.

Redemption notices, if any, shall be sent to DTC. If less than all of the Bonds and the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds or 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 Borough or the hereafter designated paying agent, if any, as soon as possible after the applicable Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds and the Notes are credited on the applicable Record Date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and distributions on the Bonds and the Notes, if any, 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 Borough or the hereafter designated Paying Agent, if any, 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, the Borough or the hereafter designated Paying Agent, if any, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and distributions to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Borough or the hereafter designated Paying Agent, if any, 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 depository with respect to the Bonds and the Notes at any time by giving reasonable notice to the Borough or its hereinafter designated Paying Agent, if any. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Borough may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Borough believes to be reliable, but neither the Borough nor the Underwriter (as hereinafter defined) take any responsibility for the accuracy thereof.

NEITHER THE BOROUGH NOR ITS HEREAFTER DESIGNATED PAYING AGENT, IF ANY, WILL HAVE THE RESPONSIBILITY OR OBLIGATION TO THE DIRECT PARTICIPANTS OR THE

PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE PAYMENTS TO OR PROVIDING OF NOTICE FOR THE DIRECT PARTICIPANTS, OR THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS AND THE NOTES, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE BONDHOLDERS/NOTEHOLDER OR REGISTERED OWNERS OF THE BONDS AND THE NOTES (OTHER THAN UNDER THE HEADING "TAX MATTERS") SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS AND THE NOTES.

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 Bonds and the Notes, the following provisions would apply: (i) the Bonds and the Notes may be exchanged for an equal principal amount of Bonds and Notes in other authorized denominations and of the same maturity, upon surrender thereof at the offices of the Borough, or its hereafter designated Paying Agent, if any; (ii) the transfer of the Bonds and the Notes may be registered on the books maintained by the Borough, or its hereafter designated Paying Agent, if any, for such purposes only upon the surrender thereof to the Borough, or its hereafter designated Paying Agent, if any, together with the duly executed assignment in form satisfactory to the Borough, or its hereafter designated Paying Agent, if any; and (iii) for every exchange or registration of transfer of the Bonds and the Notes, the Borough, or its hereafter designated Paying Agent, if any, may make a charge sufficient to reimburse for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer of the Bonds and the Notes. In such event, interest on the Bonds and the Notes will be payable by check or draft, mailed on each Interest Payment Date, to the registered owners thereof as of the close of business on the Record Date, whether or not a business day.

SECURITY FOR THE BONDS AND THE NOTES

The full faith and credit of the Borough are irrevocably pledged for the payment of the principal of and interest on the Bonds and the Notes. The Bonds and the Notes are general obligations of the Borough payable as to principal and interest from *ad valorem* taxes that shall be levied upon all taxable real property within the Borough without limitation as to rate or amount.

The Borough may pledge only its own credit and taxing power in respect of the Bonds and the Notes, and has no power to pledge the credit or taxing power of the State or any other political subdivision thereof, nor shall the Bonds and the Notes be deemed to be obligations of said State or any other political subdivision thereof, nor shall said State or any other political subdivision thereof be liable for the payment of principal of or interest on the Bonds and the Notes.

GENERAL INFORMATION REGARDING THE BOROUGH

General

General information concerning the Borough, including economic, financial, demographic and other relevant data, is set forth in Appendix "A" to this Official Statement.

Financial

Appendix "B" to this Official Statement contains the audited financial statement of the Borough for the year ending December 31, 2022, and certain unaudited financial information for the year ending December 31, 2023. The financial data was provided by the Borough's auditor, Ford, Scott and Associates LLC, Ocean City,

New Jersey, and is included herein in reliance upon the authority of such firm. Ford, Scott and Associates LLC has consented to the inclusion of their report in this Official Statement. Copies of the complete reports of audit may be obtained upon request to the office of the Chief Financial Officer of the Borough.

CERTAIN PROVISIONS OF THE LAWS OF THE STATE OF NEW JERSEY AND THE UNITED STATES RELATING TO GENERAL OBLIGATION DEBT

Local Bond Law

General - The Local Bond Law governs the issuance of bonds and notes by counties and municipalities for the financing of capital improvements. Among its provisions are the following: (i) the power and obligation to pay any and all bonds and notes issued pursuant to the Local Bond Law shall be unlimited; (ii) the county or municipality shall levy *ad valorem* taxes upon all taxable property therein for the payment of the principal of and interest on such bonds and notes without limitation as to rate or amount; (iii) generally, a down payment that is not less than five percent (5%) of the amount of debt obligations authorized must be appropriated in addition to the amount of debt obligations authorized; (iv) all non-special-assessment bonds shall mature within the period of usefulness or average period of usefulness of the improvements being financed; and (v) after issuance, all bonds and notes shall be conclusively presumed to be fully authorized and issued by all of the laws of the State, and all persons shall be estopped from questioning their sale, execution or delivery.

Debt Limits - The authorized bonded indebtedness of the Borough is limited by statute, subject to the exceptions noted below, to an amount equal to three and one-half percent (3.50%) of its equalized valuation basis. The equalized valuation basis of the Borough is set by statute as the average for the last three years of the equalized value of all taxable real property and improvements as annually determined by the New Jersey State Board of Taxation. Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit.

Bonds, notes and long-term loans are included in the computation of debt for the statutory debt limit. The Borough, including the issuance of the Bonds and the Notes, will not exceed its three and one-half percent (3.50%) debt limit.

Exceptions to Debt Limits – Extensions of Credit - The Borough may exceed its debt limit with the approval of the New Jersey Department of Community Affairs, Division of Local Government Services, Local Finance Board ("Local Finance Board"), a State regulatory agency, and as permitted by other statutory exceptions. If all or any part of a proposed debt authorization would exceed its debt limit, the Borough may apply to the Local Finance Board for an extension of credit. If the Local Finance Board determines that a proposed debt authorization would not materially impair the credit of the Borough or substantially reduce the ability of the Borough to meet its obligations or to provide essential public improvements and services, or make certain other statutory determinations, approval may be granted.

In addition, debt in excess of the statutory limit may be issued by the Borough to fund certain notes, to provide for purposes in an amount not exceeding two-thirds (2/3) of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of utility and assessment obligations).

Short-Term Financing – When approved by bond ordinance, the Borough may issue bond anticipation notes to temporarily finance capital improvements. Such notes may not be issued in an aggregate amount exceeding that specified by the ordinance. The notes may not be issued for periods of more than one year, renewable with the final maturity occurring no later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original note. After the third year, the amount of the notes that may be renewed annually must be decreased by the minimum amount required for the first year's principal payment for the bond issue in anticipation of which the notes are issued.

Refunding Bonds – Refunding Bonds may be issued pursuant to the Local Bond Law for the purpose of paying, funding outstanding bonds, including emergency appropriations, the actuarial liabilities of a non-state administered public employee pension system and 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.

Local Fiscal Affairs Law

The Local Fiscal Affairs Law, Chapter 5 of Title 40A of the New Jersey State Statutes, as amended and supplemented ("Local Fiscal Affairs Law"), governs audits, auditors, public moneys and financial statements of local governmental units, including the Borough.

Each local unit is required to cause an annual audit of its books, accounts and financial transactions to be made and completed within six months after the close of its fiscal year by either a Registered Municipal Accountant or, by agreement with the Director ("Director") of the Division of Local Government Services ("Division") in the Department of Community Affairs, by qualified employees of the Division.

An independent examination of the Borough's books, accounts and financial transactions must be performed annually by a Registered Municipal Accountant who is licensed by the State Board of Public Accountants. The audit, conforming to the Division's "Requirements of Audit", includes recommendations for improvement of the local unit's financial procedures and must be filed with the report, together with all recommendations made. A Summary of Audit, together with recommendations, must be published in a local newspaper within 30 days of its submission. The entire annual audit report for the year ended December 31, 2022 is on file with the Borough Clerk and is available for review during business hours.

The Local Fiscal Affairs Law also requires that the Chief Financial Officer of the local unit file annually with the Director a verified statement of the financial condition of the local unit as of the close of the fiscal year to be made not later than February 10 for December 31 fiscal year end local units and August 10 for June 30 fiscal year end local units.

Local Budget Law

The Local Budget Law, Chapter 4 of Title 40A of the State states, as amended and supplemented ("Local Budget Law"), governs the budgeting and appropriation of funds by local governmental units.

The Local Budget Law requires local governmental units to adopt a "cash basis" budget in such form that there will be sufficient cash collected to meet all debt service requirements, necessary operations of the local governmental units for the fiscal year and any mandatory payments required to be met during the fiscal year.

No budget shall be adopted unless the Director shall have previously certified their approval thereof.

Each local governmental unit must include in its budget an appropriation for the payment of debt service. The Director is required to examine such appropriation to determine whether it is properly set forth, in addition to determining whether all estimates of revenue contained in the budget are reasonable, accurate and correctly stated.

A statute passed in 1976, as amended (*N.J.S.A. 40A:4-45.1 et seq.*), commonly known as the "Cap Law", imposed limitations on increases in municipal appropriations subject to various exceptions. On August 20, 1990, the Governor of the State signed into law P.L. 1990, c. 89, which revised and made permanent the "Cap Law". Since its inception, the "Cap Law" has been amended and modified several times, most recently on July 13, 2010. While the revised "Cap Law" is more restrictive on the ability of a local unit to increase its overall appropriations, it does not limit the obligation of the Borough to levy *ad valorem* taxes upon all taxable real property within the Borough to pay debt service on the Bonds and the Notes. The Cap Law provides that a local unit shall limit any increase of its budget to 2.5% or the index rate, whichever is less, over the previous year's final appropriations subject to certain exceptions. The "index rate" is the rate of annual percentage increase in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services computed by the United States,

Department of Commerce. Among the exceptions to the limitations imposed by the Cap Law are capital expenditures; debt service; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law.

Additionally, legislation constituting P.L. 2010, c. 44, was adopted on July 13, 2010 (S-29R1), which, among other things, imposes a two percent (2.00%) cap on the tax levy that municipalities, counties, fire districts and solid waste collection districts may impose, with very limited exceptions and subject to certain adjustments.

Exclusions from the two percent (2.00%) tax levy cap include: (i) increases required to be raised by taxation for capital expenditures, including debt service as defined by law; (ii) increases in pension contributions and accrued liability for pension contributions in excess of 2.00%; (iii) increases in health care costs equal to that portion of the actual increase in total health care costs for the budget year that is in excess of 2.00% of the total health care costs in the prior year, but is not in excess of the product of the total health care costs in the prior year and the average percentage increase of the State Health Benefits Program, P.L.1961, c.49 (C.52:14-17.25 *et seq.*), as annually determined by the Division of Pensions and Benefits in the Department of the Treasury; and (iv) and extraordinary costs incurred by a local unit directly related to a declared emergency, as defined by regulation promulgated by the Commissioner of the Department of Community Affairs, in consultation with the Commissioner of Education, as appropriate. The amendments to the tax levy sections of the "Cap Law" (specifically, *N.J.S.A.* 40A:4-45-46) in 2010 no longer permit municipalities, counties, fire districts and solid waste collection districts to request approval from the Local Finance Board for a waiver to increase the amount to be raised by taxation in excess of the two percent (2.00%) cap. However, counties, municipalities, fire districts and solid waste collection districts may request, through a public question submitted to the voters, an increase in the amount to be raised by taxes above the two percent (2.00%) tax levy cap. Such approval must be achieved by an affirmative vote in excess of fifty percent (50%) of those voting on such public question.

In response to the outbreak of the Coronavirus (as defined and described under the heading "CERTAIN RISK FACTORS – Recent Healthcare Developments" below), the New Jersey Legislature enacted P.L. 2020, c. 74 (A3971), under which a local unit may adopt an emergency appropriation to fund certain deficits and expenditures resulting from Coronavirus with approval of the Director and may either fund it as a deferred charge or issue special emergency notes to fund it payable by 1/5 each year beginning in the year after the year in which the deferred charge appears in the financial statements so it is paid off no later than the last day of the sixth fiscal year following the end of the fiscal year in which the application is made. If there is a showing of fiscal distress, that may be extended to ten (10) years. Such emergency appropriation must be approved by 2/3 vote of the governing body of the local unit and be accompanied by a certification of the Chief Financial Officer stating that the resolution covers deficits and expenses incurred during the emergency response to the Coronavirus. Moreover, to the extent that such Coronavirus-related emergency appropriations exceed the cost of providing similar services under non-emergency conditions, the deferred charge to be raised in the following year's budget is an eligible exception to both the levy cap and the appropriations cap. The Director may also promulgate guidelines modifying the standard for anticipated revenues when the amount realized in cash from the same source during the next preceding fiscal year experienced reductions due to Coronavirus. The Borough has made no appropriations for Coronavirus related deficits or expenses under this statutory provision.

Neither the tax levy limitation nor the "Cap Law" limits the obligation of the Borough to levy *ad valorem* taxes upon all taxable real property within the Borough to pay debt service on its bonds or notes, including the Bonds and the Notes.

Miscellaneous Revenues

N.J.S.A. 40A:4-26 provides that: "No 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." Such determination may be made by the governing body and the chief financial officer in any year during which the local unit is subject to local examination.

No budget or amendment shall be adopted unless the Director has previously certified the approval of such anticipated revenues.

Real Estate Taxes

Receipts from Delinquent Taxes - Revenues are permitted by *N.J.S.A.* 40A:4-29 to be anticipated in the annual budget for collection of delinquent taxes of prior years. The maximum amount permitted to be anticipated is determined by applying the collection rate of the prior year's delinquent taxes to the total amount of delinquent taxes outstanding at the beginning of the current year.

Current Year Tax Levy and Reserve for Uncollected Taxes - The current year's taxes to be levied are determined by adding the sums of the cash required from taxes to support the municipal, school, county and special district budgets, if any, together with the amount of an appropriation required to be included in the annual municipal budget entitled "Reserve for Uncollected Taxes", less the total of anticipated revenues. The inclusion of the "Reserve for Uncollected Taxes" appropriation in the current year's budget protects the municipality from taxes currently unpaid. The "Reserve for Uncollected Taxes" is required to be, at a minimum, an amount sufficient to provide for the same percentage of uncollected taxes in the current year as was experienced in the immediately preceding year, the average of the previous three years in accordance with P.L. 2000, c. 126, or the previous year collection percentage after reducing the previous year levy by tax appeal judgments of the county tax board pursuant to R.S.54:3-21 *et seq.*, or the State tax court pursuant to R.S.54:48-1 *et seq.* in accordance with Chapter 56 of P.L. 2010.

N.J.S.A. 40A:4-41 provides with regard to current taxes that: "Receipts 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 such preceding fiscal year."

Another provision requires that an additional amount (the "reserve for uncollected taxes") be added to the tax levy required for all current budget appropriations and school and county taxes of the current fiscal year. The reserve requirement is calculated as follows:

$$\frac{\text{Levy Required for Current Budget,} \\ \text{School and County Taxes}}{\text{Prior Year's Percentage of Current} \\ \text{Tax Collections (or Lesser \%)}} = \text{Total Taxes to be Levied}$$

Deferral of Current Expenses

Emergency appropriations (i.e., those made after the adoption of the budget and determination of the tax rate for an unforeseen event or purpose) may be authorized by the governing body of the local governmental units. With minor exceptions, however, such appropriations must be included in full in the following year's budget. When such appropriations exceed three percent (3.00%) of the adopted operating budget, consent of the Director of Local Government Services must be obtained.

The exceptions are certain enumerated projects to cover the cost of the extraordinary expense for the repair, or reconstruction of streets, roads or bridges, or other public property damaged by snow, ice, frost or flood, where such expense was not foreseen at the time of the adoption of the budget, which may be amortized over three years; and tax map preparations, revision of ordinances, revaluations, master plan preparation, studies and

planning necessary for the installation and construction of a sanitary sewer system, and payments of accumulated sick and vacation time which may be amortized over five years.

Budget Transfers

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between major appropriation accounts are prohibited until the last two months of the year and, although subaccounts within an appropriation are not subject to the same year-end transfer restriction, they are subject to internal review and approval.

Capital Budget

In accordance with the Local Budget Law, each local unit shall prepare and adopt a capital budget, in conjunction with its annual operating budget, for any year in which it proposes to undertake a capital project. Every local unit which adopts a capital budget must also adopt a three (3) year capital program unless the local unit's population exceeds 10,000 where a six (6) year capital program is required.

Related Constitutional and Statutory Provisions

In the general election of January 2, 1976, as amended by the general election of January 6, 1984, the following Article 8, Section 1, Paragraph 7, with respect to a state income tax, was added to the State Constitution:

No tax shall be levied on personal incomes of individuals, estates and trusts of this State unless the entire net receipts therefrom shall be received into the treasury, placed in a perpetual fund and be annually appropriated, pursuant to formulas established from time to time by the Legislature, to the several counties, municipalities and school districts of this State exclusively for the purpose of reducing or offsetting property taxes. In no event, however, shall a tax so levied on personal income be levied on payments received under the Federal Social Security Act, the Federal Railroad Retirement Act, or any federal law which substantially reenacts the provisions of either of those laws.

A progressive state income tax is currently in effect in the State.

The State Constitution may only be amended after: (i) approval of a proposed amendment by three-fifths (3/5) of all of the members of each house of the State Legislature and approval by a majority vote in a statewide referendum; or (ii) approval in two successive legislative years by a majority of all of the members of each house and approval by a majority vote in a statewide referendum. Amendments failing to receive voter approval may not be resubmitted for voter approval before the third succeeding general election after such disaffirmance.

The Municipal Finance Commission

The Municipal Finance Commission ("Commission") was created in 1931 to assist in the financial rehabilitation of municipalities, which had defaulted in their obligations. The powers of the Commission are exercised today by the Local Finance Board. The previously discussed elements of the local finance system are intended to prevent default on obligations or occurrence of severe fiscal difficulties in any local unit. Should extreme economic conditions adversely affect any local unit, the "Municipal Finance Commission Statutes" are available to assist in restoring the stability of the local unit.

Any holder of bonds or notes which are in default for over sixty (60) days (for payment of principal or interest) may bring action against such municipality in the State's Superior Court. Any municipality may declare itself unable to meet its obligations and bring action in such court. In either case, the court's determination that the municipality is in default or unable to meet its obligations causes the Commission to become operative in that municipality.

The Commission exercises direct supervision over the finances and accounts of any local unit under its jurisdiction. The Commission is authorized to appoint an auditor to examine and approve all claims against the municipality and to serve as comptroller for that community. The Commission is also directed to supervise tax collections and assessments, to approve the funding of municipal school district indebtedness, the adjustment or composition of the claims of creditors and the readjustment of debts under the Federal Municipal Bankruptcy Act. Such Act permits municipalities to have access to bankruptcy court for protection against suits by bondholders and creditors.

The Local Finance Board also serves as the "Funding Commission" to exercise supervision over the funding or refunding of local government debt. Any county or municipality seeking to adjust its debt service must apply to and receive the approval of such Funding Commission for the proposed reorganization of its debt.

Limitation of Remedies Under Federal Bankruptcy Code

The rights and remedies of the registered owners of the Bonds and the Notes are subject to the provisions of Chapter 9 of the Federal Bankruptcy Code of the United States ("Bankruptcy Code"). In general, Chapter 9 permits, under prescribed circumstances, but only after an authorization by the applicable state legislature or by a governmental officer or organization empowered by state law to give such authorization, a political subdivision of a state to file a petition for relief in a bankruptcy court of the United States if it is insolvent or unable to meet its debts as they mature and desires to effect a plan to adjust its debts.

The State has authorized the political subdivisions thereof to file such petitions for relief under the Bankruptcy Code pursuant to and subject to Article 8 of the Act. The Act provides that such petitions may not be filed without the prior approval of the Commission and that no plan of readjustment of the local unit's debts may be filed or accepted by the petitioner without express authority from the Commission to do so.

THE ABOVE REFERENCES TO THE BANKRUPTCY CODE ARE NOT TO BE CONSTRUED AS AN INDICATION THAT THE BOROUGH EXPECTS TO RESORT TO THE PROVISIONS OF SUCH BANKRUPTCY CODE OR THAT, IF IT DID, SUCH ACTION WOULD BE APPROVED BY THE COMMISSION, OR THAT ANY PROPOSED PLAN WOULD INCLUDE A DILUTION OF THE SOURCE OF PAYMENT OF AND SECURITY OF THE BONDS AND THE NOTES.

THE SUMMARIES OF AND REFERENCES TO THE STATE CONSTITUTION AND OTHER STATUTORY PROVISIONS ABOVE ARE NOT AND SHOULD NOT BE CONSTRUED AS 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.

TAXATION

Procedure for Assessment and Collection of Taxes

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of maintaining new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners. The Borough completed a Borough-wide revaluation of property within the Borough, which was effective for the 2021 tax year.

Upon the filing of certified adopted budgets by the Borough, the school district within the Borough and the County of Camden ("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 to fund the budgets. The statutory provision for the assessment of property, 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 the State for various special services rendered to the properties located within the special district.

Tax bills are due quarterly on February 1, May 1, August 1 and November 1. Installments not paid on or before the due date are subject to interest penalties of 8% per annum on the first \$1,500.00 of the delinquency and 18.00% per annum on any amounts in excess of \$1,500.00. These interest penalties are the maximum permitted under New Jersey Statutes. Additionally, a 6.00% penalty is charged on any delinquencies in excess of \$10,000.00 if not paid by the end of each year. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with New Jersey Statutes. Tax liens retained by the Borough are periodically assigned to the Borough Solicitor for "in rem foreclosures" in order to acquire title to these properties.

In response to the outbreak of the Coronavirus, the Governor of the State of New Jersey signed Executive Order 130, authorizing municipalities in the State to adopt a resolution instituting a grace period concluding on June 1, 2020 for: (i) the payment of second quarter taxes for municipalities on a calendar year budget cycle; and (ii) the payment of fourth quarter taxes for municipalities on a fiscal year budget cycle. At a meeting held on May 26, 2020, the Board of Commissioners adopted Resolution No. 2020-R-663, instituting the above-described grace period for the payment of property taxes. See "CERTAIN RISK FACTORS – Recent Healthcare Developments" below for additional information on temporary changes made to property tax laws and regulations in response to the Coronavirus.

Tax Appeals

The State Statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. The taxpayer has a right to petition the New Jersey Board of Taxation ("Tax Board") on or before the first day of April of the current tax year for review. The Tax Board has the authority, after a hearing, to decrease, increase or reject the appeal petition. These adjustments are usually concluded within the current tax year and reductions are shown as canceled or remitted taxes for that year. If the taxpayer feels his petition was unsatisfactorily reviewed by the Tax Board, appeal may be made to the State Tax Court. State Tax Court appeals tend to take several years prior to settlement and any losses in tax collection from prior years are charged directly to operations.

CERTAIN RISK FACTORS

Recent Healthcare Developments

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 new strain of coronavirus ("Coronavirus" or "COVID-19"). A national emergency was declared by the President of the United States ("President") (which has since been terminated), to provide federal intervention for the mitigation of the Coronavirus as a public health emergency and to unlock federal funds and assistance to help states and local governments manage the pandemic. On March 9, 2020, the Governor of the State of New Jersey ("Governor") issued Executive Order 103, pursuant to which the Governor declared a State of Emergency and a Public Health Emergency, thereby allowing State agencies and departments to utilize State resources to assist affected communities in response to the COVID-19 outbreak.

The federal Public Health Emergency was terminated on May 11, 2023, but the State of Emergency for the State remains in effect as of the date hereof. Other Executive Orders (some of which have since been modified or rescinded) limited various activities and undertook measures in an attempt to slow the spread of COVID-19 throughout the State. These measures, which impacted the behavior of businesses and individuals, have had any

may continue to have impacts on regional, state, and local economies. 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 an effort to provide relief to entities impacted by the COVID-19 pandemic, the American Rescue Plan Act of 2021, H.R. 1319 ("Plan") was signed into law by the President on March 12, 2021, and provided \$1.9 trillion in financial assistance to businesses, individuals and governmental entities. The Plan included different forms of financial relief, including a direct stimulus payment to certain individuals 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 also provided funding for state and local governments to recoup and offset costs related to COVID-19 and to encourage and re-establish economic development and certain infrastructure improvements.

Pursuant to the funding methodology under the Plan, the Borough has received \$1,453,218.21 in funding ("Plan Funds"). The deadline to obligate the funds is December 31, 2024, and to spend funds is December 31, 2026. Such funds were received in two (2) equal payments; one (1) received within 60 days of enactment of the Plan, and the balance received no earlier than 12 months from the initial payment. Pursuant to the Plan (codified as Section 603(c) of the Social Security Act (42 U.S.C. 603(c)), Plan Funds may be utilized to (i) respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; (ii) respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible employers that have eligible workers who perform essential work; (iii) provide government services to the extent of the reduction in revenue due to the public health emergency relative to revenues collected in the most recent full fiscal year of the Borough prior to the emergency; and (iv) make necessary investments in water, sewer or broadband infrastructure. Plan Funds may not, however, be utilized for debt service, legal settlements or judgments of financial reserves.

While the effects of COVID-19 have abated significantly in the State, the Borough cannot predict, and does not predict, the duration, severity or ultimate impact of COVID-19 upon global, State-wide and local economies and operations, including that of the Borough.

Cyber Security

The Borough relies on a complex technology environment to conduct its various operations. As a result, the Borough faces certain cyber security threats at various times including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and digital networks and systems. To mitigate the risks of business operations impact and/or damage from cybersecurity incidents or cyber-attacks, the Borough has invested in multiple forms of cybersecurity and operational safeguards. In addition, the Borough maintains certain insurance coverage for cyberattacks and related events.

Climate Change

The State of New Jersey is naturally susceptible to the effects of extreme weather events and natural disasters including floods and hurricanes, which could result in negative economic impacts on communities. Such effects can be exacerbated by a longer term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage local infrastructure that provides essential services to the Borough as well as resulting in economic impacts such as loss of ad valorem tax revenue, interruption of municipal services, and escalated recovery costs. No assurance can be given as to whether future extreme weather events will occur that could materially adversely affect the financial condition of the Borough.

TAX MATTERS

Federal

In the opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the Borough, assuming continuing compliance by the Borough with the tax covenants described below, under existing law, interest on the Bonds and the Notes is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Internal Revenue Code of 1986, as amended ("Code"), and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the Bonds and the Notes received or accrued by a foreign corporation subject to the branch profits tax will be included in computing the "dividend equivalent amount" of such corporation.

In addition, passive investment income, including interest on the Bonds and the Notes, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering this opinion, we have assumed continuing compliance by the Borough that it will comply with the applicable requirements of the Code, including requirements relating to, inter alia, the use and investment of proceeds of the Bonds and the Notes and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Borough to comply with such covenants could result in the interest on the Bonds and the Notes being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that affect the tax-exempt status of the interest on the Bonds and the Notes.

Ownership of the Bonds and the Notes may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, controlled foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the Bonds and the Notes will constitute disqualified income for this purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the Bonds and the Notes is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by household income. Section 36B(d) of the Code provides that household income consists of the "modified adjusted gross income" of the taxpayer and certain other individuals. "Modified adjusted gross income" means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Bonds and the Notes.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The Borough has designated the Bonds and the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

Owners of the Bonds and the Notes should consult their own tax advisers as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive

investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

New Jersey

Bond Counsel is also of the opinion that interest on the Bonds and the Notes and any gain from the sale thereof are not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as presently enacted and construed.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the United States Congress and in New Jersey that, if enacted, could alter or amend the Federal and New Jersey tax matters referred to above or adversely affect the market value of the Bonds and the Notes. It cannot be predicted whether or in what form any such proposals might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds and the Notes.

PROSPECTIVE PURCHASERS OF THE BONDS AND THE NOTES SHOULD CONSULT WITH THEIR OWN TAX ADVISORS REGARDING ANY FEDERAL AND STATE INCOME TAX LEGISLATION, WHETHER CURRENTLY PENDING OR PROPOSED, REGULATORY INITIATIVES OR LITIGATION. THE OPINIONS EXPRESSED BY BOND COUNSEL ARE BASED UPON EXISTING LEGISLATION AND REGULATIONS AS INTERPRETED BY RELEVANT JUDICIAL AND REGULATORY AUTHORITIES AS OF THE DATE OF ISSUANCE AND DELIVERY OF THE BONDS AND THE NOTES AND BOND COUNSEL HAS EXPRESSED NO OPINION AS OF ANY DATE SUBSEQUENT THERETO OR WITH RESPECT TO ANY PENDING LEGISLATION, REGULATORY INITIATIVES OR LITIGATION.

LITIGATION

To the knowledge of the Borough's Solicitor, Joseph M. Nardi, III, Esquire, of the firm Brown & Connery, LLP, Westmont, New Jersey ("Solicitor"), there is no litigation of any nature now pending or threatened, restraining or enjoining the issuance or the delivery of the Bonds and the Notes, or the levy or the collection of any taxes to pay the principal of or the interest on the Bonds and the Notes, or in any manner questioning the authority or the proceedings for the issuance of the Bonds and the Notes or for the levy or the collection of taxes, or contesting the corporate existence or the boundaries of the Borough or the title of any of the present officers. Moreover, to the knowledge of the Solicitor, no litigation is presently pending or threatened that, in the opinion of the Solicitor, would have a material adverse impact on the financial condition of the Borough if adversely decided.

RATINGS

S&P Global Ratings, acting through Standard & Poor's Financial Services LLC (the "Rating Agency"), has assigned a rating of "AA-" (positive outlook) to the Bonds and a rating of "SP-1+" to the Notes based upon the creditworthiness of the Borough.

The ratings reflect only the views of the Rating Agency. Any desired explanation of the significance of such ratings should be obtained directly from the Rating Agency. The Borough furnished to the Rating Agency certain information and materials concerning the Bonds and the Notes and the Borough. There can be no assurance that the ratings will be maintained for any given period of time or that they may not be raised, lowered or withdrawn entirely if, in the Rating Agency's judgment, circumstances so warrant. Any downward change in or withdrawal of such ratings may have an adverse effect on the marketability or market price of the Bonds and the Notes.

PREPARATION OF OFFICIAL STATEMENT

The Borough hereby states that the descriptions and statements herein and in the Appendices attached hereto, including financial and statistical statements, are true and correct in all material respects, and it will confirm the same to the purchasers of the Bonds and Notes by certificates signed by various officers and officials of the Borough upon issuance and delivery of the Bonds and Notes.

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

The Borough compiled Appendix "A" from information obtained from various sources they consider to be reliable and makes no warranty, guaranty or other representation with respect to the accuracy and completeness or fairness of the information contained herein and, accordingly, will express no opinion with respect thereto.

Parker McCay P.A. has not participated in the preparation of this Official Statement, nor has such firm verified the accuracy, completeness or fairness of the information contained herein (except under the heading "TAX MATTERS") and, accordingly, will express no opinion with respect thereto.

Ford, Scott and Associates LLC, Ocean City, New Jersey, only takes responsibility for the financial statements, appearing in Appendix "B" hereto.

UNDERWRITING

Bonds

The Bonds have been purchased from the Borough at a public sale by _____, as underwriter ("Bond Underwriter"), pursuant to the Award Certificate. The Underwriter has purchased the Bonds in accordance with the Notice of Sale prepared in connection with the Bonds. The Bonds are being offered for sale at the yields set forth on the inside front cover page of this Official Statement. The Underwriter is obligated to purchase all of the Bonds if any of the Bonds are purchased.

The Bond Underwriter intends to offer the Bonds to the public initially at the offering yields set forth on the inside front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Bond Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing bonds and notes into investment trusts) at yields higher than the public offering yield set forth on the inside front cover page of this Official Statement, and such public offering yields may be changed, from time to time, by the Bond Underwriter without prior notice.

Notes

The Notes have been purchased from the Borough at a public sale by _____, _____ (the "Note Underwriter" and together with "Bond Underwriter", the "Underwriters") at a price of \$ _____ (the "Purchase Price"). The Purchase Price reflects the par amount of the Notes plus a bid premium of \$ _____.

The Note Underwriter intends to offer the Notes to the public initially at the offering yields set forth on the inside front cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Note Underwriter may offer and sell the Notes to certain dealers (including dealers depositing bonds and notes into investment trusts) at yields higher than the public offering yield set forth on the inside front cover page of this Official Statement, and such public offering yields may be changed, from time to time, by the Note Underwriter without prior notice.

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 institutions, 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, money or other funds belonging to them or within their control in any bonds and notes of the Borough, including the Bonds and the Notes, and such bonds and notes are authorized security for any and all public deposits.

MUNICIPAL ADVISOR

Phoenix Advisors, LLC, Bordentown, New Jersey, has served as municipal advisor to the Borough with respect to the issuance of the Bonds and the Notes ("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.

NO DEFAULT

There is no record of default in the payment of the principal or interest on the bonds or notes of the Borough.

CONTINUING DISCLOSURE

In accordance with the requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule"), the Borough will, prior to the issuance of the Bonds and Notes, enter into separate agreements substantially in the forms set forth in Appendix "D" hereto, to ongoing disclosures as required by the Rule.

The Borough has previously entered into continuing disclosure undertakings under the Rule. The Borough appointed Phoenix Advisors, LLC in February of 2015 to serve as continuing disclosure agent to assist in the filing of certain information on the Electronic Municipal Market Access Dataport as required under its obligations.

LEGAL MATTERS

The legality of the Bonds and the Notes will be subject to the approving legal opinion of Parker McCay P.A., Mount Laurel, New Jersey, Bond Counsel to the Borough ("Bond Counsel"). Such opinion will be printed on or accompany the Bonds and the Notes and provide, *inter alia*, that the Bonds and the Notes are valid and binding obligations of the Borough, and the Borough has the power and is obligated to levy *ad valorem* taxes upon all the taxable property within the Borough without limitation as to rate or amount for the payment of the Bonds and the Notes and interest thereon. The enforceability of rights or remedies with respect to the Bonds and the Notes may be limited by bankruptcy, insolvency, or other law affecting creditors' rights or remedies heretofore or hereinafter enacted. Certain legal matters will be passed upon for the Borough by its Solicitor.

Bond Counsel has not verified the accuracy, completeness or fairness of the statements contained in this Official Statement (except to the extent, if any, as specifically stated herein) and will express no opinion relating thereto.

The legal opinions to be delivered concurrently with the delivery of the Bonds and the Notes express the professional judgment of the attorneys rendering the opinion as to the legal issues explicitly addressed therein. In

rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement, including information additional to that contained herein, may be directed to Elizabeth Pigliacelli, the Borough Chief Financial Officer, Borough of Collingswood, at (856) 854-0720, or to the Borough's Municipal Advisor, Phoenix Advisors, LLC, at (609) 291-0130.

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth merely as opinions and not as representations of fact, and no representation is made that any such statements will be realized. Neither this Official Statement nor any statement, which may have been made verbally or in writing, is to be construed as a contract with, or a covenant for the benefit of, the holders of the Bonds and the Notes. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the Bonds and the Notes made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Borough since the date hereof. The information contained in the Official Statement is not guaranteed as to accuracy or completeness.

All quotations from and summaries and explanations of provisions of 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 has been duly executed and delivered by the Chief Financial Officer of the Borough for and on behalf of the Borough.

BOROUGH OF COLLINGSWOOD, NEW JERSEY

By: _____
Elizabeth Pigliacelli, Chief Financial Officer

Dated: February __, 2024

APPENDIX A

CERTAIN ECONOMIC, FINANCIAL AND DEMOGRAPHIC INFORMATION REGARDING THE BOROUGH OF COLLINGSWOOD

INFORMATION REGARDING THE BOROUGH

The following material presents certain economic and demographic information of the Borough of Collingswood ("Borough"), in the County of Camden ("County"), State of New Jersey ("State").

General Information

The area now encompassed by the Borough was originally settled in 1682 in what was then known as Newton Township. Haddon Township, created from Newton Township on February 23, 1865, included all territory within the present-day Borough of Haddonfield, Collingswood, Audubon, Oaklyn, Woodlynne, part of Haddon Heights and most of the Fairview section of Camden.

On May 22, 1888, the Borough of Collingswood was incorporated from a part of Haddon Township.

Transportation

The Borough of Collingswood is within minutes of many major freeways. Haddon Avenue intersects with U.S. Route 130 which provides connections to the Blackhorse Pike (Route 168), Interstate Route 76 (west via Walt Whitman Bridge to Philadelphia and Philadelphia International Airport), Interstate Route 676 (north via Ben Franklin Bridge to center city Philadelphia) and Interstate Route 295. Cuthbert Boulevard, which serves as an eastern boundary of the Borough, connects directly to State Highways 70 and 38.

Commuter transportation service to Philadelphia is available via the Collingswood and Westmont stations of the PATCO high-speed passenger rail line and New Jersey Transit bus service along Route 168.

Water and Sewer Service

The Borough of Collingswood Water Department is responsible for water supply in the Borough and parts of the Township of Haddon and the Borough of Woodlynne. Water customers are billed on a quarterly basis. The Borough draws its water from seven (7) wells in operation throughout the Borough with an average capacity of 2.2 million gallon per day.

The Borough of Collingswood Sewer Department is responsible for sewage collection and maintenance of mains throughout the Borough. Residents receive a combined Water/Sewer bill on a quarterly basis.

Both the water and sewer utilities are operated on a self-liquidating basis at the present time.

Pension and Retirement Systems

Substantially all eligible employees participate in the Public Employees' Retirement System, the Police and Firemen's Retirement System or the Defined Contribution Retirement Program, which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits ("Division"). Benefits, contributions, means of funding and the manner of administration are established pursuant to State statute. The Division annually charges municipalities and other participating governmental units for their respective contributions to the plans based upon actuarial calculations and the employees contribute a portion of the cost. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes the financial statements and required supplementary information. This report may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or is available online at www.nj.gov/treasury/pensions/financial-reports.shtml.

The Public Employees' Retirement System ("PERS") 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, to provide retirement, death, disability and medical benefits to certain qualified members. Membership is mandatory for substantially all full-time employees of the State or any county, municipality, school district or public agency, provided the employee is not required to be a member of another State-administered retirement system or other State pension fund or local jurisdiction's pension fund.

The Police and Firemen's Retirement System ("PFRS") 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, to provide retirement, death, disability and medical benefits to certain qualified members. Membership is mandatory for substantially all full-time county and municipal police and firefighters or officer employees with police powers appointed after June 30, 1944.

The Defined Contribution Retirement Program ("DCRP") is a multiple-employer defined contribution pension fund, established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

Primary and Secondary Education

The Board of Education of the Borough of Collingswood ("School District") is a Type II school district that is coterminous with the borders of the Borough. The School District provides a full range of educational services appropriate to pre-K through grade twelve (12).

The Board is composed of eleven (11) members elected by the legally qualified voters in the School District to terms of three (3) years on a staggered basis, along with one (1) representative from Oaklyn Borough and one (1) representative from Woodlynne Borough. The President and Vice President are chosen for one (1) year terms from among the members of the Board.

The School District has a total of seven (7) schools: five (5) elementary schools, one (1) middle school and one (1) high school.

Higher Education Facilities

Rutgers University-Camden Campus

Rutgers University-Camden, is a comprehensive, publicly-supported, coeducational four-year institution accredited by the Middle States Association of Colleges and Secondary Schools and funded primarily by the State, was founded in 1950 on a 23.8 acre campus in the City of Camden.

Camden County College

Fully accredited by the Middle States Association of Colleges and Secondary Schools, Camden County College ("College") is a comprehensive publicly supported, co-educational two-year institution developed under the State Department of Higher Education. It is funded in part by the County Board of Commissioners who appoint an eleven (11) member Board of Trustees. The College has three distinct campuses in Blackwood, Camden, and Cherry Hill – along with its satellite locations in Lakeland, Sicklerville and elsewhere throughout the County.

Camden County Technical Schools

From a vocational school that opened with 400 students in 12 trade areas in 1928, Camden County Technical Schools has grown to be one of the largest and most comprehensive technical schools in the nation. The district today encompasses a full range of day and evening programs at campuses in Pennsauken and Gloucester Township. Beginning in 2012, the adult programs were operated by Camden County College as part of the Camden County shared services agreement.

Employment and Unemployment Comparisons

For the following years, the New Jersey Department of Labor reported the following annual average employment information for the Borough, the County, and the State:

	<u>Total Labor Force</u>	<u>Employed Labor Force</u>	<u>Total Unemployed</u>	<u>Unemployment Rate</u>
<u>Borough</u>				
2022	8,478	8,243	235	2.8%
2021	8,334	7,872	462	5.5%
2020	8,226	7,599	627	7.6%
2019	8,310	8,065	245	2.9%
2018	8,164	7,892	272	3.3%
<u>County</u>				
2022	270,737	259,883	10,854	4.0%
2021	266,980	248,194	18,786	7.0%
2020	265,237	239,598	25,639	9.7%
2019	263,859	253,460	10,399	3.9%
2018	259,331	247,693	11,638	4.5%
<u>State</u>				
2022	4,739,800	4,564,100	175,700	3.7%
2021	4,661,100	4,365,400	295,700	6.3%
2020	4,642,900	4,203,300	439,700	9.5%
2019	4,686,700	4,528,200	158,500	3.4%
2018	4,609,800	4,426,600	183,200	4.0%

Source: New Jersey Department of Labor, Office of Research and Planning, Division of Labor Market and Demographic Research, Bureau of Labor Force Statistics, Local Area Unemployment Statistics

Income (as of 2022)

	<u>Borough</u>	<u>County</u>	<u>State</u>
Median Household Income	\$68,663	\$70,957	\$85,245
Median Family Income	102,083	89,417	104,804
Per Capita Income	47,194	36,559	44,153

Source: US Bureau of the Census, 2022 American Community Survey 5-Year Estimates

Population

The following tables summarize population increases and the decreases for the Borough, the County, and the State.

<u>Year</u>	<u>Borough</u>		<u>County</u>		<u>State</u>	
	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>
2020	14,186	1.87%	523,485	1.91%	9,288,994	5.65%
2010	13,926	-2.79	513,657	0.93	8,791,894	4.49
2000	14,326	-6.30	508,932	1.21	8,414,350	8.85
1990	15,289	-3.47	502,824	6.61	7,730,188	4.96
1980	15,838	-9.09	471,650	3.37	7,365,001	2.75

Source: United States Department of Commerce, Bureau of the Census

Largest Taxpayers

The ten largest taxpayers in the Borough and their assessed valuations are listed below:

<u>Taxpayers</u>	<u>2023</u>	<u>% of Total</u>
	<u>Assessed Valuation</u>	<u>Assessed Valuation</u>
Cooper River Manor Investors	\$9,818,200	0.91%
Collingswood Assoc.	3,624,100	0.34%
Parkview Urban Renewal LLC	3,384,000	0.31%
Wayne Gardens Apartments, LLC	3,326,100	0.31%
ACE Partnership	3,300,000	0.31%
Station House Holdings LLC	2,860,800	0.27%
Creswood Associates	2,751,000	0.26%
Collingswood Forest LLC	2,667,600	0.25%
ETM Properties LLC	2,616,000	0.24%
Aldi, Inc.	<u>2,608,400</u>	<u>0.24%</u>
Total	<u>\$36,956,200</u>	<u>3.43%</u>

Source: School District CAFR & Municipal Tax Assessor

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Current Year Collection</u>	<u>Current Year % of Collection</u>
2023U	\$41,509,882	\$41,444,388	99.84%
2022	40,428,168	40,339,464	99.78%
2021	39,668,525	39,633,342	99.91%
2020	38,651,603	38,609,378	99.89%
2019	37,778,702	37,698,376	99.79%

U=Unaudited

Source: Annual Audit Reports of the Borough

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Tax</u>	<u>Total Delinquent</u>	<u>% of Tax Levy</u>
2023U	\$279	\$5,257	\$5,536	0.01%
2022	125,398	1,186	126,584	0.31%
2021	113,409	1,526	114,935	0.29%
2020	101,264	505	101,770	0.26%
2019	104,164	715	104,879	0.28%

U=Unaudited

Source: Annual Audit Reports of the Borough

Property Acquired by Tax Lien Liquidation

<u>Year</u>	<u>Amount</u>
2023U	\$67,175
2022	67,175
2021	67,175
2020	67,175
2019	73,975

U=Unaudited

Source: Annual Audit Reports of the Borough

Tax Rates per \$100 of Net Valuations Taxable and Allocations

The table below lists the tax rates for the past five (5) years.

	Municipal		County	Local	Special		
<u>Year</u>	<u>Municipal</u>	<u>Library</u>	<u>County</u>	<u>Open Space</u>	<u>School</u>	<u>Improvement</u>	<u>Total</u>
2023	\$1.123	\$0.039	\$0.847	\$0.023	\$1.790	\$0.000	\$3.822
2022	1.094	0.039	0.831	0.023	1.740	0.000	3.727
2021	1.058	0.035	0.823	0.022	1.733	0.000	3.671
2020	1.077	0.000	0.818	0.000	1.691	0.000	3.586
2019	1.024	0.034	0.828	0.000	1.622	0.000	3.508

Source: Abstract of Ratables and State of New Jersey – Property Taxes

Valuation of Property

	Aggregate Assessed	Aggregate True	Ratio of	Assessed	Equalized
<u>Year</u>	<u>Valuation of</u>	<u>Value of</u>	<u>Assessed to</u>	<u>Value of</u>	<u>Valuation</u>
	<u>Real Property</u>	<u>Real Property</u>	<u>True Value</u>	<u>Personal Property</u>	
2023	\$1,076,079,400	\$1,506,270,157	71.44%	\$0	\$1,506,270,157
2022	1,073,055,600	1,376,948,030	77.93	0	1,376,948,030
2021	1,071,270,700	1,238,749,653	86.48	0	1,238,749,653
2020	1,068,015,900	1,131,732,436	94.37	0	1,131,732,436
2019	1,066,855,200	1,091,635,322	97.73	0	1,091,635,322

Source: Abstract of Ratables and State of New Jersey – Table of Equalized Valuations

Classification of Ratables

The table below lists the comparative assessed valuation for each classification of real property within the Borough for the past five (5) years.

<u>Year</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartments</u>	<u>Total</u>
2023	\$7,893,900	\$926,441,000	\$0	\$105,016,900	\$0	\$38,493,600	\$1,077,845,400
2022	7,186,400	921,340,300	0	106,348,700	0	38,180,200	1,073,055,600
2021	7,246,400	919,157,300	0	106,686,800	0	38,180,200	1,071,270,700
2020	7,101,200	915,770,100	0	106,964,400	0	38,180,200	1,068,015,900
2019	7,343,400	914,915,200	0	106,416,400	0	38,180,200	1,066,855,200

Source: Abstract of Ratables and State of New Jersey – Property Value Classification

Financial Operations

The following table summarizes budgeted information on changes in financial resources and fund balance for the last five (5) fiscal years for the Current Fund. This summary should be used in conjunction with the tables from which it is derived.

Budgeted Information of Operations and Changes in Fund Balances for the Years Ended December 31

<u>Anticipated Revenues</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Fund Balance Utilized	\$1,215,147	\$2,291,405	\$1,664,070	\$1,320,093	\$1,991,771
Miscellaneous Revenues	5,355,050	5,853,860	5,226,168	6,785,210	5,999,933
Receipts from Delinquent Taxes	20,000	15,000	15,000	5,000	5,000
Amount to be Raised by Taxation	<u>11,287,000</u>	<u>11,499,948</u>	<u>11,711,488</u>	<u>12,148,422</u>	<u>12,505,672</u>
Total Revenue:	<u>\$17,877,197</u>	<u>\$19,660,214</u>	<u>\$18,616,726</u>	<u>\$20,258,724</u>	<u>\$20,502,377</u>
<u>Appropriations</u>					
General Appropriations	\$12,004,595	\$12,951,507	\$13,714,578	\$14,180,804	\$14,792,109
Operations (Excluded from CAPS)	769,705	1,263,133	655,207	1,198,595	1,065,225
Deferred Charges and Statutory Expenditures	0	0	0	0	0
Transferred to Board of Education	222,500	222,500	222,500	222,500	222,500
Capital Improvement Fund	675,000	1,480,000	484,816	1,125,500	950,000
Municipal Debt Service	4,085,949	3,657,211	3,495,696	3,493,730	3,381,726
Reserve for Uncollected Taxes	<u>119,449</u>	<u>85,863</u>	<u>43,929</u>	<u>37,595</u>	<u>90,817</u>
Total Appropriations:	<u>\$17,877,197</u>	<u>\$19,660,214</u>	<u>\$18,616,726</u>	<u>\$20,258,724</u>	<u>\$20,502,377</u>

Source: Annual Adopted Budgets of the Borough

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Fund Balance

Current Fund

The following table lists the Borough's fund balance and the amount utilized in the succeeding year's budget for the Current Fund for the past five (5) fiscal years ending December 31.

<u>Fund Balance - Current Fund</u>		
	Balance	Utilized in Budget
<u>Year</u>	<u>12/31</u>	<u>of Succeeding Year</u>
2023U	\$4,342,077	N/A
2022	3,672,926	1,991,771
2021	3,389,849	1,320,093
2020	1,801,745	1,664,070
2019	3,238,330	2,291,405

U=Unaudited

Source: Annual Audit Reports of the Borough

Water Utility Fund

The following table lists the Borough's fund balance and the amount utilized in the succeeding year's budget for the Water Utility Fund for the past five (5) fiscal years ending December 31.

<u>Fund Balance - Water Utility Operating Fund</u>		
	Balance	Utilized in Budget
<u>Year</u>	<u>12/31</u>	<u>of Succeeding Year</u>
2023U	\$1,394,571	N/A
2022	1,026,274	370,057
2021	812,966	257,097
2020	325,234	238,469
2019	309,027	41,077

U=Unaudited

Source: Annual Audit Reports of the Borough

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Sewer Utility Fund

The following table lists the Borough's fund balance and the amount utilized in the succeeding year's budget for the Sewer Utility Fund for the past five (5) fiscal years ending December 31.

Fund Balance -Sewer Utility Operating Fund

<u>Year</u>	<u>Balance 12/31</u>	<u>Utilized in Budget of Succeeding Year</u>
2023U	\$1,086,027	N/A
2022	1,154,375	322,530
2021	1,354,527	571,173
2020	996,837	168,852
2019	821,194	293,787

U=Unaudited

Source: Annual Audit Reports of the Borough

Parking Utility Fund

The following table lists the Borough's fund balance and the amount utilized in the succeeding year's budget for the Parking Utility Fund for the past five (5) fiscal years ending December 31.

Fund Balance -Parking Utility Operating Fund

<u>Year</u>	<u>Balance 12/31</u>	<u>Utilized in Budget of Succeeding Year</u>
2023U	\$93,724	N/A
2022	83,908	69,050
2021	29,154	28,950
2020	92,975	77,900
2019	88,354	87,100

U=Unaudited

Source: Annual Audit Reports of the Borough

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Borough Indebtedness as of December 31, 2023**General Purpose Debt**

Serial Bonds	\$20,850,000
Bond Anticipation Notes	
Bonds and Notes Authorized but Not Issued	2,850,000
Other Bonds, Notes and Loans	0
Total:	<u>\$23,700,000</u>

Local School District Debt

Serial Bonds	\$7,820,000
Temporary Notes Issued	0
Bonds and Notes Authorized but Not Issued	0
Total:	<u>\$7,820,000</u>

Self-Liquidating Debt

Serial Bonds	\$7,260,000
Bond Anticipation Notes	0
Bonds and Notes Authorized but Not Issued	6,000,000
Other Bonds, Notes and Loans	658,190
Total:	<u>\$13,918,190</u>

TOTAL GROSS DEBT**\$45,438,190**

Less: Statutory Deductions	
General Purpose Debt	\$0
Local School District Debt	7,820,000
Self-Liquidating Debt	13,918,190
Total:	<u>\$21,738,190</u>

TOTAL NET DEBT**\$23,700,000**

Source: Annual Debt Statement of the Borough

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Overlapping Debt (as of December 31, 2023)¹

<u>Name of Related Entity</u>	<u>Related Entity Debt Outstanding</u>	<u>Borough Percentage</u>	<u>Borough Share</u>
Local School District	\$7,820,000	100.00%	\$7,820,000
County (2022)	750,668,112	3.17%	<u>23,796,392</u>
Net Indirect Debt			\$31,616,392
Net Direct Debt			<u>23,700,000</u>
Total Net Direct and Indirect Debt			<u><u>\$55,316,392</u></u>

Debt Limit

Average Equalized Valuation Basis (2020, 2021, 2022)	\$1,249,143,373
Permitted Debt Limitation (3 1/2%)	43,720,018
Less: Net Debt	<u>23,700,000</u>
Remaining Borrowing Power	<u><u>\$20,020,018</u></u>
Percentage of Net Debt to Average Equalized Valuation	1.897%
Gross Debt Per Capita based on 2020 population of 14,186	\$3,203
Net Debt Per Capita based on 2020 population of 14,186	\$1,671

Source: Annual Debt Statement of the Borough

Litigation

The status of pending litigation is included in the Notes to Financial Statements of the Borough's annual audit report.

¹ Borough percentage of County debt is based on the Borough's share of total equalized valuation in the County

APPENDIX B

FINANCIAL STATEMENTS OF THE BOROUGH OF COLLINGSWOOD

**UNAUDITED FINANCIAL DATA OF THE TOWNSHIP
FOR THE YEAR ENDED DECEMBER 31, 2023**



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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To the Honorable Mayor and
Members of the Board of Commissioners
Borough of Collingswood
County of Camden, New Jersey

The Management of the Borough of Collingswood is responsible for the accompanying financial statements – regulatory basis which consists of the balance sheets – regulatory basis of the Current Fund, Grant Fund, Trust Funds, General Capital Fund, Water Utility Operating and Capital Funds, Sewer Utility Operating and Capital Funds and Parking Utility Operating and Capital Funds as of December 31, 2023, the related statements of operations and changes in fund balance - regulatory basis, the related statements of revenues - regulatory basis and statements of expenditures - regulatory basis for the year ended December 31, 2023 in accordance with the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion or conclusion, nor provide any form of assurance on these financial statements – regulatory basis.

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

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the regulatory basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the City's assets, liabilities, equity, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

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

February 9, 2024

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

	<u>2023</u>
<u>ASSETS</u>	
Regular Fund:	
Cash:	
Treasurer	\$ 6,736,192.75
Payroll/Agency	115,077.73
Change Funds	200.00
Total Cash	<u>6,851,470.48</u>
Receivables and Other Assets with Full Reserves:	
Delinquent Property Taxes Receivable	646.02
Tax Title and Other Liens	161,496.83
Property Acquired for Taxes - at Assessed Valuation	67,175.00
Clean-up Charges Receivables	13,564.53
Revenue Accounts Receivable	2,340.33
Interfund Receivable:	
Federal and State Grant Fund	409,645.23
Animal Control Trust	0.22
Trust Other Fund	173.60
Trust Tax Sale	959.46
Total Receivables and Other Assets	<u>656,001.22</u>
Deferred Charges:	
Special Emergency	<u>450,000.00</u>
Total Deferred Charges	<u>450,000.00</u>
Total Regular Fund	<u>7,957,471.70</u>
Federal and State Grant Fund:	
Cash	-
Federal and State Grants Receivable	1,723,658.19
Due from General Capital Fund	-
Total Federal and State Grant Fund	<u>1,723,658.19</u>
Total Current Fund	<u>\$ 9,681,129.89</u>

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

	<u>2023</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	
Regular Fund:	
Liabilities:	
Appropriation Reserves	\$ 1,527,023.11
Reserve for Encumbrances	707,586.55
Accounts Payable	86,568.97
Prepaid Taxes	278,799.88
Tax Overpayments	48,525.95
Due to County - Added & Omitted Taxes	24,193.57
Due Camden County Utilities Authority	199.15
Due to State:	
Marriage License Fees	265.00
Lead Inspections	140.00
Uniform Construction Code State Training Fees	4,083.00
Senior Citizens & Veteran Deductions	7,500.00
Interfund	
Due Unemployment Trust Fund	14,481.64
Other	
Reserve for Bid Guarantee	750.00
Security Deposits	250.00
JIF Safety Awards Unappropriated	2,000.00
Reserve for Municipal Relief Fund	124,688.56
Reserve for National Ooids Settlement	38,058.38
Payroll Taxes Payable	94,280.09
	<u>2,959,393.85</u>
Reserve for Receivables and Other Assets	656,001.22
Fund Balance	<u>4,342,076.63</u>
Total Regular Fund	<u>7,957,471.70</u>
Federal and State Grant Fund:	
Unappropriated Reserves	17,921.63
Appropriated Reserves	1,249,014.18
Due Current Fund	409,645.23
Reserve for Encumbrances	<u>47,077.15</u>
Total Federal and State Grant Fund	<u>1,723,658.19</u>
Total Current Fund	<u>\$ 9,681,129.89</u>

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

	<u>2023</u>
Revenue and Other Income Realized	
Fund Balance	\$ 1,994,667.48
Miscellaneous Revenue Anticipated	6,639,440.02
Receipts from Delinquent Taxes	5,536.10
Receipts from Current Taxes	41,444,387.80
Non Budget Revenue	712,462.95
Other Credits to Income:	
Unexpended Balance of Appropriation Reserves	1,857,596.26
Federal and State Grants Appropriated Reserves Canceled	
Interfund Returned	253.93
Total Income	<u>52,654,344.54</u>
Expenditures	
Budget and Emergency Appropriations:	
Appropriations Within "CAPS"	
Operations:	
Salaries and Wages	5,895,500.00
Other Expenses	7,211,451.64
Deferred Charges & Statutory Expenditures	1,832,092.02
Appropriations Excluded from "CAPS"	
Operations:	
Salaries and Wages	53,730.00
Other Expenses	1,001,485.30
Capital Improvements	1,500,000.00
Debt Service	3,381,725.95
Transfer to Board of Education	222,500.00
Local District School Tax	19,263,522.00
County Tax	9,356,953.07
County Share of Added Tax	24,193.57
Special Improvement District Tax	275,281.13
Interfund Created	409,645.23
Refund of Prior Year's Revenue - Other	9,276.04
Prior Senior Citizens Deduction Disallowed	3,170.43
Total Expenditures	<u>50,440,526.38</u>
Excess in Revenue	<u>2,213,818.16</u>

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

	<u>2023</u>
Adjustments to Income before Fund Balance:	
Expenditures included above which are by	
Statute Deferred Charges to Budgets of	
Succeeding Year	450,000.00
	<u>450,000.00</u>
Total Adjustments	<u>450,000.00</u>
Statutory Excess to Fund Balance	2,663,818.16
	<u>3,672,925.95</u>
Fund Balance January 1	3,672,925.95
	6,336,744.11
Decreased by:	
Utilization as Anticipated Revenue	1,994,667.48
	<u>1,994,667.48</u>
Fund Balance December 31	\$ <u><u>4,342,076.63</u></u>

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

	Budget	Anticipated N.J.S. 40A:4-8	Realized	Excess or (Deficit)
Fund Balance Anticipated	\$ 1,994,667.48		1,994,667.48	
Total Fund Balance Anticipated	1,994,667.48		1,994,667.48	-
Section A: Local Revenues				
Licenses:				
Other	750.00		1,609.00	859.00
Fees and Permits	25,000.00		44,189.75	19,189.75
Fines and Costs:				
Municipal Court	75,000.00		61,688.92	(13,311.08)
Interest and Costs on Taxes	66,000.00		67,787.36	1,787.36
Interest Earned on Investments	35,000.00		48,880.89	13,880.89
Department of Recreation Fees	60,000.00		77,458.54	17,458.54
Fire Code Fees	67,000.00		67,320.00	320.00
Delaware River Port Authority	30,000.00		-	(30,000.00)
Pool Tags	350,000.00		387,360.75	37,360.75
Rental Inspections	20,000.00		25,380.00	5,380.00
Resale Inspection Fees	20,000.00		27,225.00	7,225.00
Third Party Billing - Ambulance	345,000.00		499,625.17	154,625.17
Collingswood Ambulance Service (Membership)	7,500.00		11,940.00	4,440.00
Housing Inspections	65,000.00		75,335.00	10,335.00
Senior Community Center Rents	75,000.00		105,641.50	30,641.50
Total Section A: Local Revenues	1,241,250.00	-	1,501,441.88	260,191.88
Section B: State Aid Without Offsetting Appropriations				
Energy Receipts Tax	1,203,681.00		1,203,681.16	0.16
Total Section B: State Aid Without Offsetting Appropriations	1,203,681.00	-	1,203,681.16	0.16

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

	Anticipated		Excess or
	Budget	N.J.S. 40A:4-8	(Deficit)
Section C: Uniform Construction Code Fees			
Uniform Construction Code Fees	200,000.00		7,877.25
Total Section C: Uniform Construction Code Fees	200,000.00	-	7,877.25
Section D: Shared Municipal Service Agreements			
Off-set with Appropriations			
Construction Code - Borough of Oaklyn	35,980.00		1,726.64
Fire Code - Borough of Oaklyn	3,750.00		(3,750.00)
Construction Code - Borough of Merchantville	14,000.00		(10,236.03)
Fire Service - Township of Haddon	30,638.93		(4,359.74)
Total Section D: Shared Municipal Service Agreements	84,368.93	-	(16,619.13)
Section F: Special Items - Public and Private Programs			
Off-Set with Appropriations			
Police Body Armor Grant	2,057.80		2,057.80
American Rescue Plan - Firefighters Grant	35,750.00		35,750.00
Community Development Block Grant	39,400.00		39,400.00
Recycling Tonnage Grant	15,469.65		15,469.65
Good Food Bucks		500.00	500.00
Stormwater Assistance		25,000.00	25,000.00
Clean Communities Program Grant		33,099.39	33,099.39
Municipal Alliance	6,733.00		6,733.00
DMHAS Youth Leadership Grant	3,000.00		3,000.00
Safe & Secure	97,200.00		97,200.00
FEMA Assistance to Firefighters Grant Program		122,388.38	122,388.38
NJ Dept. of Agriculture Spotted Lanternfly Grant Program		15,000.00	15,000.00
NJ Dept. of State Library - LibraryLink NJ		2,041.00	2,041.00
PSEG Foundation - FY2023 Sustainable Jersey Grant		10,000.00	10,000.00
Lead Assistance Grant		21,800.00	21,800.00
Total Section F: Special Items - Public and Private Programs	199,610.45	229,828.77	429,439.22
Off-Set with Appropriations			-

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

	Anticipated		Excess or
	Budget	N.J.S. 40A:4-8	(Deficit)
Section G: Other Special Items			
Cable TV Franchise Fees	82,305.34		82,305.34
Telephone/Internet Franchise Fees	66,489.70		66,489.70
Payment in Lieu of Taxes			
Parkview	2,300,000.00		2,416,115.52
Methodist Home	55,675.34		56,385.80
Collingswood Housing Authority	28,000.00		29,200.00
Lumberyard	150,000.00		138,959.61
Pewter Village	148,000.00		154,004.60
VOA	15,000.00		15,609.15
Zane School	10,751.33		10,213.76
McFarlands	10,444.76		10,698.15
Due from Collingswood Partners	65,000.00		106,787.42
Lease Payments - Catelli Parking	18,000.00		18,000.00
Robert's Pool Concession Stand	40,000.00		38,925.37
Reserve for Municipal Relief Fund	62,357.65		62,357.65
Reserve for National Opioids Settlement	23,198.64		23,198.64
Total Section G: Other Special Items	3,075,222.76	-	3,229,250.71
Total Miscellaneous Revenues:	6,004,133.14	229,828.77	6,639,440.02
Receipts from Delinquent Taxes	5,000.00		5,536.10
Amount to be Raised by Taxes for Support of Municipal Budget			
Local Tax for Municipal Purposes	12,046,690.00		12,156,272.51
Minimum Library Tax	458,983.00		458,983.00
Total Amount to be Raised by Taxes for Support of Municipal Budget	12,505,673.00	-	12,615,255.51
Budget Totals	20,509,473.62	229,828.77	21,254,899.11
Non- Budget Revenues:			
Other Non- Budget Revenues:			
		712,462.95	712,462.95
\$	20,509,473.6	229,828.7	21,967,362.0
			1,228,059.6

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

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 41,444,387.80
Less: Reserve for Tax Appeals Pending	<u>-</u>
Net Revenue from Collections	41,444,387.80
Allocated to:	
School, County and Other Taxes	<u>28,919,949.77</u>
Balance for Support of Municipal Budget Appropriations	12,524,438.03
Increased by:	
Appropriation "Reserved for Uncollected Taxes"	<u>90,817.48</u>
Amount for Support of Municipal Budget Appropriations	<u><u>12,615,255.51</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collection	5,257.19
Tax Title Lien Collections	<u>278.91</u>
Total Receipts from Delinquent Taxes	<u><u>5,536.10</u></u>

Analysis of Non-Budget Revenue:

Miscellaneous Revenue Not Anticipated:

Ambulance Donations	240.00
Other Miscellaneous	67,829.37
Conrail	300.00
Payment in Lieu of Taxes	
DHS Communities	3,413.10
Senior Citizen & Veteran's Administrative Fee	1,011.59
Sale of Municipal Assets	588,871.73
Lead Inspection Fees	1,595.00
Uniform Fire Safety LEA Rebate	16,548.04
Clean Up Fees	3,301.92
JIF Safety Award	3,000.00
School Resource Officer	25,652.20
Miscellaneous	<u>700.00</u>

Total Miscellaneous Revenue Not Anticipated:	<u><u>712,462.95</u></u>
--	--------------------------

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

	Appropriations		Paid or	Expended		(Over expended) Unexpended Balance
	Budget	Budget After Modifications		Charged	Encumbered	
\$						
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Administrator's Office	36,000.00	36,000.00	34,753.76			1,246.24
Salaries and Wages	8,000.00	8,000.00	1,368.64			6,631.36
Other Expenses						
Mayor and Commissioners	27,500.00	27,500.00	26,914.68			585.32
Salaries and Wages	2,500.00	2,500.00	1,763.96			736.04
Other Expenses						
Municipal Clerk	63,000.00	63,000.00	60,959.68			2,040.32
Salaries and Wages	38,000.00	38,000.00	20,256.40			17,743.60
Other Expenses						
Elections	1,500.00	1,500.00	1,000.00			500.00
Salaries and Wages	12,000.00	12,000.00	10,606.76			1,393.24
Other Expenses						
Financial Administration	95,000.00	95,000.00	87,394.03			7,605.97
Salaries and Wages	45,000.00	45,000.00	25,118.54			19,881.46
Other Expenses	34,800.00	34,800.00	26,000.00			8,800.00
Computer Consultant						
Audit Services	65,000.00	65,000.00	65,000.00			-
Other Expenses						
Collection of Taxes	56,000.00	56,000.00	55,389.82			610.18
Salaries and Wages	20,000.00	25,000.00	21,055.16			3,944.84
Other Expenses						
Assessment of Taxes	29,000.00	29,000.00	25,731.45			3,268.55
Salaries and Wages	6,500.00	6,500.00	6,138.02			361.98
Other Expenses						
Emergency Appropriation - Revaluation	-	450,000.00	-		449,050.00	950.00
Other Expenses						
Legal Services and Costs	250,000.00	180,500.00	140,526.21			39,973.79
Other Expenses						
Engineering Services and Costs	250,000.00	250,000.00	107,160.00		84,687.00	58,153.00
Other Expenses						
Community Development	27,500.00	27,500.00	25,996.96			1,503.04
Salaries and Wages						
Other Expenses	20,000.00	27,500.00	25,609.37			1,890.63
Miscellaneous Other Expenses	60,000.00	67,000.00	62,585.87			4,414.13
Community Consultant						
Historical Building - Knight Homestead	2,500.00	2,500.00	185.00			2,315.00
Other Expenses						

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

	Appropriations		Paid or	Expended		(Over expended) Unexpended Balance
	Budget	Budget After Modifications		Charged	Encumbered	
LAND USE ADMINISTRATION						
Municipal Land Use Law (NJSA 40:55D-1)						
Zoning Commission						
Salaries and Wages	28,500.00	28,500.00		26,790.40		1,709.60
Other Expenses	10,000.00	10,000.00		6,016.55		3,983.45
Land Use Board						
Salaries and Wages	10,000.00	10,000.00		9,144.73		855.27
Other Expenses	30,000.00	30,000.00		15,682.26		14,317.74
INSURANCE						
Liability Insurance	371,651.00	371,651.00		368,138.30		3,512.70
Workmen's Compensation	239,000.00	239,000.00		239,000.00		-
Group Insurance Plans for Employees	2,304,900.00	1,904,900.00		1,768,165.46		136,734.54
Health Benefit Waiver	30,000.00	30,000.00		29,493.75		506.25
PUBLIC SAFETY FUNCTIONS						
Police						
Salaries and Wages	2,750,000.00	2,750,000.00		2,432,418.22		317,581.78
Other Expenses	211,900.00	211,900.00		154,125.43	41,773.99	16,000.58
Police Car Lease	50,000.00	50,000.00		-		50,000.00
Ambulance						
Other Expenses	55,500.00	55,500.00		37,367.69	1,396.43	16,735.88
Emergency Management Services						
Other Expenses	2,000.00	2,000.00		375.50		1,624.50
Fire						
Salaries and Wages	1,650,000.00	1,635,000.00		1,542,807.87		92,192.13
Other Expenses	75,298.64	90,298.64		50,785.07	36,699.51	2,814.06
Uniform Fire Safety Act (PL 1983, CH 383)						
Fire Inspector						
Salaries and Wages	95,000.00	95,000.00		69,081.37		25,918.63
Other Expenses	12,700.00	12,700.00		7,726.91	1,559.63	3,413.46
Municipal Prosecutor						
Other Expenses	15,500.00	15,500.00		11,430.00		4,070.00
PUBLIC WORKS						
Streets and Highways						
Salaries and Wages	350,000.00	335,000.00		308,023.73		26,976.27
Other Expenses	64,752.00	74,752.00		74,197.96		554.04
JIF Safety Equipment						
Other Expenses	3,250.00	3,250.00		552.70		2,697.30

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

	Appropriations		Paid or	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Charged	Encumbered	Reserved
Storm Recovery						
Other Expenses	8,000.00	18,000.00	934.45		12,580.00	4,485.55
Shade Tree Commission						
Other Expenses	75,000.00	75,000.00	35,767.75		6,131.74	33,100.51
Solid Waste Collection						
Other Expenses	964,200.00	814,200.00	791,401.58			22,798.42
Public Building and Grounds						
Other Expenses	185,000.00	185,000.00	148,951.80		26,698.81	9,349.39
Lumberyard						
Other Expenses	12,000.00	12,000.00	-			12,000.00
Vehicle Maintenance						
Other Expenses	75,000.00	105,000.00	94,605.62		4,157.06	6,237.32
HEALTH AND HUMAN SERVICES						
Public Health Services (Board of Health)						
Other Expenses	5,000.00	5,000.00	585.00			4,415.00
Animal Regulation						
Other Expenses	20,000.00	20,000.00	15,441.67			4,558.33
PARK AND RECREATION						
Parks and Playgrounds						
Salaries and Wages	45,000.00	47,000.00	46,879.29			120.71
Other Expenses	115,500.00	115,500.00	72,960.65		14,000.00	28,539.35
Robert's Park Swimming Pool						
Salaries and Wages	200,000.00	187,500.00	178,494.01			9,005.99
Other Expenses	200,000.00	200,000.00	73,427.65		7,800.94	118,771.41
Senior Center						
Salaries and Wages	60,000.00	60,000.00	59,616.67			383.33
Other Expenses	55,000.00	58,500.00	57,859.92			640.08
Foundation for the Arts						
Other Expenses	500.00	500.00	1.26			498.74
Business Improvement District						
Salaries and Wages	65,000.00	72,000.00	71,145.00			855.00
Other Expenses	1,500.00	1,500.00	267.36			1,232.64
OTHER COMMON OPERATING FUNCTIONS						
Community Sponsored Events						
Other Expenses	30,000.00	45,000.00	40,890.11			4,109.89

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

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
Utility and Bulk Expenses						
Electricity	150,000.00	150,000.00	99,917.94		50,082.06	
Street Lighting	190,000.00	190,000.00	164,245.43		25,754.57	
Telephone	50,000.00	50,000.00	37,768.12		12,231.88	
Gas (Natural or Propane)	40,000.00	40,000.00	28,360.78		11,639.22	
Fuel Oil	70,000.00	70,000.00	47,271.46		22,728.54	
Telecommunications Costs	25,000.00	25,000.00	17,896.75		7,103.25	
Gasoline	80,000.00	80,000.00	61,686.78		18,313.22	
Solid Waste Disposal Costs						
Solid Waste Disposal						
Other Expenses	580,000.00	580,000.00	511,554.97		68,445.03	
Municipal Court						
Salaries and Wages	175,000.00	175,000.00	151,051.03		23,948.97	
Other Expenses	22,000.00	22,000.00	15,319.96	9.69	6,670.35	
Public Defender						
Other Expenses	12,000.00	12,000.00	5,658.56		6,341.44	
UNIFORM CONSTRUCTION CODE - Appropriations						
Offset by Dedicated Revenues (NJAC 5:23-4.17)						
Construction Official	165,000.00	165,000.00	139,522.67		25,477.33	
Salaries and Wages	21,500.00	21,500.00	18,820.12		2,679.88	
Other Expenses						
TOTAL OPERATIONS WITHIN "CAPS"	13,206,951.64	13,106,951.64	10,971,142.57	686,544.80	1,449,264.27	-
Contingent	-	-	-	-	-	-
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	13,206,951.64	13,106,951.64	10,971,142.57	686,544.80	1,449,264.27	-
Detail:						
Salaries and Wages	5,929,000.00	5,895,500.00	5,353,115.37	-	542,384.63	-
Other Expenses	7,277,951.64	7,211,451.64	5,618,027.20	686,544.80	906,879.64	-

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

	Appropriations		Paid or		Expended		(Over expended)
	Budget	Budget After Modifications	Charged	Charged	Encumbered	Reserved	Unexpended Balance Cancelled
DEFERRED CHARGES AND STATUTORY EXPENDITURES:							
Statutory Expenditures:							
Contributions to:							
Public Employees' Retirement System	260,942.94	260,942.94	259,360.98			1,581.96	
Social Security System (O.A.S.I.)	230,000.00	230,000.00	200,437.93			29,562.07	
Con Police and Firemen's Retirement System	-	-	209.95			(209.95)	
Police and Firemen's Retirement System	1,330,149.08	1,330,149.08	1,330,149.08			-	
State Disability Insurance	5,000.00	5,000.00	3,671.23			1,328.77	
Defined Contribution Retirement Program	6,000.00	6,000.00	3,319.61			2,680.39	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES:	1,832,092.02	1,832,092.02	1,797,148.78		-	34,943.24	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	15,039,043.66	14,939,043.66	12,768,291.35		686,544.80	1,484,207.51	-
OPERATIONS - EXCLUDED FROM "CAPS"							
Education Functions							
Maintenance of Free Public Library	371,376.00	371,376.00	359,795.18			11,580.82	
Salaries and Wages	122,600.00	122,600.00	94,862.61		20,613.90	7,123.49	
Other Expenses							
Solid Waste Disposal Costs							
Recycling Tax							
Other Expenses	17,500.00	17,500.00	11,785.14			5,714.86	
Shared Service Agreements							
Construction Code - Shared Service Agreements							
Construction Official - Salaries & Wages							
Borough of Oaklyn	35,980.00	35,980.00	35,901.01			78.99	
Borough of Merchantville	14,000.00	14,000.00	3,485.16			10,514.84	
Fire Services - Shared Service Agreements							
Fire Inspection - Salaries and Wages							
Borough of Oaklyn	3,750.00	3,750.00	-			3,750.00	
Township of Haddon							
Other Expenses	30,638.93	30,638.93	27,470.21		427.85	2,740.87	
Collingswood BOE - Janitorial Services & Maintenance	22,500.00	22,500.00	22,500.00			-	
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	618,344.93	618,344.93	555,799.31		21,041.75	41,503.87	-

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

	Appropriations		Paid or	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Charged	Encumbered	
(A) Public and Private Programs Off-Set by Revenues						
Matching Funds for Grants	7,431.15	7,431.15	6,119.42			1,311.73
Recycling Tonnage Grant	15,469.65	15,469.65	15,469.65			
Clean Communities Program	-	33,099.39	33,099.39			
Municipal Alliance on Alcoholism and Drug Abuse	6,733.00	6,733.00	6,733.00			
Police Body Armor Grant	2,057.80	2,057.80	2,057.80			
Community Development Block Grant	39,400.00	39,400.00	39,400.00			
Stormwater Assistance	-	25,000.00	25,000.00			
Safe and Secure	97,200.00	97,200.00	97,200.00			
DMHAS Youth Leadership Grant	3,000.00	3,000.00	3,000.00			
American Rescue Plan - Firefighters Grant	35,750.00	35,750.00	35,750.00			
Good Food Bucks	-	500.00	500.00			
Firefighters Assistance Grant	-	122,388.38	122,388.38			
NJ State Library Grant	-	2,041.00	2,041.00			
Agriculture Grant	-	15,000.00	15,000.00			
Sustainable Jersey	-	10,000.00	10,000.00			
Lead Grant Assistance	-	21,800.00	21,800.00			
Total Operations - Excluded from "CAPS"	207,041.60	436,870.37	435,558.64		-	-
Detail:						
Salaries and Wages	53,730.00	53,730.00	39,386.17		-	-
Other Expenses	771,656.53	1,001,485.30	951,971.78		21,041.75	-
(C) Capital Improvements						
Capital Improvement Fund	825,386.53	1,055,215.30	991,357.95		21,041.75	-
	950,000.00	1,500,000.00	1,500,000.00		-	-
Total Capital Improvements	950,000.00	1,500,000.00	1,500,000.00		-	-

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

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
(D) Debt Service						
Payment of Bond Principal	2,020,000.00	2,020,000.00	2,020,000.00			
Interest on Bonds	635,409.26	635,409.26	635,409.26			
Payment of Bond Anticipation Notes	700,000.00	700,000.00	700,000.00			
Interest on Notes	26,316.69	26,316.69	26,316.69			-
Total Debt Service	<u>3,381,725.95</u>	<u>3,381,725.95</u>	<u>3,381,725.95</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfer to Board of Education	<u>222,500.00</u>	<u>222,500.00</u>	<u>222,500.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	<u>5,379,612.48</u>	<u>6,159,441.25</u>	<u>6,095,583.90</u>	<u>21,041.75</u>	<u>42,815.60</u>	<u>-</u>
SUBTOTAL GENERAL APPROPRIATIONS	<u>20,418,656.14</u>	<u>21,098,484.91</u>	<u>18,863,875.25</u>	<u>707,586.55</u>	<u>1,527,023.11</u>	<u>-</u>
(M) Reserve for Uncollected Taxes and tax appeals	<u>90,817.48</u>	<u>90,817.48</u>	<u>90,817.48</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS	<u>\$ 20,509,473.62</u>	<u>21,189,302.39</u>	<u>18,954,692.73</u>	<u>707,586.55</u>	<u>1,527,023.11</u>	<u>-</u>
Budget		20,509,473.62				
Special Emergency		450,000.00				
Appropriations by 40A:4-87		<u>229,828.77</u>				
		<u>21,189,302.39</u>				
Reserve for Uncollected Taxes			90,817.48			
Deferred Charges - Overexpenditure of Appropriation Reserve			-			
Federal and State Grants			435,558.64			
Disbursements			<u>18,428,316.61</u>			
			<u>18,954,692.73</u>			

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

	<u>2023</u>
<u>Assets</u>	
Animal Control Fund:	
Cash	34.58
	<u>34.58</u>
Total Animal Control Fund	<u>34.58</u>
Other Funds:	
Cash - Trust Other	489,124.25
Cash - Tax Collector	310,813.94
Cash - Unemployment Trust	76,142.63
Due from Payroll Agency - Unemployment	14,481.64
Accounts Receivable Commodity Resale	1,673.79
Accounts Receivable Off-Duty Police	14,607.45
Total Other Funds	<u>906,843.70</u>
	<u>\$ 906,878.28</u>
<u>Liabilities, Reserves, and Fund Balance</u>	
Animal Control Fund:	
Reserve for Animal Control Fund Expenditures	34.36
Due to Current Fund	0.22
	<u>34.58</u>
Total Animal Control Fund	<u>34.58</u>
Other Funds:	
Due to Current Fund	959.46
Due to Current Fund - Tax Sale	173.60
Miscellaneous Trust Reserves and Escrows	837,180.64
Encumbrances Payable	68,530.00
	<u>906,843.70</u>
Total Other Funds:	<u>906,878.28</u>
	<u>\$ 906,878.28</u>

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

	<u>2023</u>
<u>ASSETS</u>	
Cash	\$ 418,688.68
Grant Receivable	25,000.00
Due from Knight Park Trustees	-
Capital Expenditure without an Ordinance	1,543,842.46
Deferred Charges to Future Taxation -	
Funded	20,850,000.00
Unfunded	2,850,000.00
	<u>25,687,531.14</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	
Contracts/Encumbrances Payable	2,886,462.66
Bond Anticipation Notes Payable	-
Serial Bonds Payable	20,850,000.00
Improvement Authorizations:	
Funded	307,788.92
Unfunded	6,068.34
Capital Improvement Fund	1,088,206.67
Fund Balance	549,004.55
	<u>\$ 25,687,531.14</u>

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

2023 2,850,000.00

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

	<u>2023</u>
Beginning Balance January 1	\$ 484,147.30
Increased by:	
Canceled Improvement Authorizations	<u>64,857.25</u>
	549,004.55
Decreased by:	
Appropriated to Improvement Authorizations	-
	<u> </u>
Ending Balance December 31	\$ <u><u>549,004.55</u></u>

**WATER UTILITY FUND
BALANCE SHEET - REGULATORY BASIS AS OF
DECEMBER 31,**

	<u>2023</u>
<u>Assets</u>	
Operating Fund:	
Cash	\$ 2,539,794.57
Change Fund	50.00
Due from Current Fund	
	<u>2,539,844.57</u>
Receivables Full Reserves:	
Consumer Accounts Receivable	316,423.91
Water Liens Receivable	<u>1,805.77</u>
	<u>318,229.68</u>
Deferred Charges:	
Emergency Authorization	<u>-</u>
Total Deferred Charges	<u>-</u>
Total Operating Fund	<u>2,858,074.25</u>
Capital Fund:	
Cash	1,729,151.43
Due from Current Fund	
Fixed Capital	12,887,433.80
Fixed Capital Authorized and Uncompleted	<u>5,925,000.00</u>
Total Capital Fund	<u>20,541,585.23</u>
	<u>\$ 23,399,659.48</u>

**WATER UTILITY FUND
BALANCE SHEET - REGULATORY BASIS AS OF
DECEMBER 31,**

	<u>2023</u>
<u>Liabilities, Reserves, and Fund Balance</u>	
Operating Fund:	
Appropriation Reserves	\$ 1,016,931.01
Reserve for Encumbrances	29,365.33
Due Sewer Operating Fund	8,791.67
Accounts Payable	40,212.93
Water Rent Overpayments	19,082.95
Accrued Interest on Bonds and Notes	30,890.17
	<u>1,145,274.06</u>
Reserve for Receivables	318,229.68
Fund Balance	<u>1,394,570.51</u>
Total Operating Fund	<u>2,858,074.25</u>
Capital Fund:	
Serial Bonds	4,201,100.00
NJEIT Loans Payable	594,189.96
Improvement Authorizations:	
Funded	316,636.89
Unfunded	-
Contracts Payable	577,583.26
Capital Improvement Fund	1,330,205.99
Deferred Reserve for Amortization	2,205,000.00
Reserve for Amortization	11,312,143.84
Fund Balance	<u>4,725.29</u>
Total Capital Fund	<u>20,541,585.23</u>
	<u><u>\$ 23,399,659.48</u></u>

There were Bonds and Notes Authorized But Not Issued at December 31,

2023

500,000.00

**WATER UTILITY FUND
STATEMENT OF OPERATIONS
AND CHANGE IN FUND BALANCE REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,**

	<u>2023</u>
<u>Revenues and Other Income Realized</u>	
Anticipated Operating Surplus	\$ 370,057.16
Rents	3,400,636.43
Miscellaneous Revenues Anticipated	58,028.50
Other Credit to Income:	
Unexpended Balance of Appropriation Reserves	<u>797,722.93</u>
Total Income	<u>4,626,445.02</u>
<u>Expenditures</u>	
Operations	2,475,333.00
Capital Improvements	800,000.00
Debt Service	452,608.34
Deferred Charges and Statutory Expenditures	<u>160,150.00</u>
Total Expenditures	<u>3,888,091.34</u>
Excess/(Deficit) in Revenues	738,353.68
Adjustment to Income before Fund Balance:	
Expenditures Included Above Which are by Statute	
Deferred Charges to Budget of Succeeding Year	<u>-</u>
	<u>-</u>
Statutory Excess to Fund Balance	738,353.68
<u>Fund Balance</u>	
Fund Balance January 1	<u>1,026,273.99</u>
Decreased by:	
Utilized as Revenue in Water and Sewer and Sewer Utility Fund Budget	<u>370,057.16</u>
Fund Balance December 31	<u>\$ 1,394,570.51</u>

**WATER CAPITAL FUND
STATEMENT OF FUND BALANCE -REGULATORY
BASIS
FOR THE YEAR ENDED DECEMBER 31,**

	<u>2023</u>
Beginning Balance January 1	\$ 4,725.29
Ending Balance December 31	\$ <u><u>4,725.29</u></u>

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

	Anticipated Budget	Realized	Excess or (Deficit)
Operating Surplus Anticipated	\$ 370,057.16	370,057.16	-
Rents	3,200,000.00	3,200,000.00	-
Additional Rents	320,000.00	200,636.43	(119,363.57)
	<u>3,890,057.16</u>	<u>3,770,693.59</u>	<u>(119,363.57)</u>
Analysis of Realized Revenues:			
Miscellaneous:			
Interest on Investment		18,782.58	
Interest on Delinquent Accounts		21,827.17	
Fire Hydrant Revenue		17,222.47	
Miscellaneous		196.28	
		<u>58,028.50</u>	

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

	Appropriations		Expended		(Overexpended) Unexpended Balance Canceled
	Budget	Budget After Modification	Paid Charged	Encumbered Reserved	
Operations:					
Salaries and Wages	\$ 250,000.00	250,000.00	129,860.93	120,139.07	
Other Expenses	1,892,000.00	1,892,000.00	970,787.80	29,365.33	
Shared Service MPWC	333,333.00	333,333.00	333,333.00	-	
Total Operations	<u>2,475,333.00</u>	<u>2,475,333.00</u>	<u>1,433,981.73</u>	<u>29,365.33</u>	<u>-</u>
Capital Improvements:					
Capital Improvement Fund	800,000.00	800,000.00	800,000.00	-	
Total Capital Improvements	<u>800,000.00</u>	<u>800,000.00</u>	<u>800,000.00</u>	<u>-</u>	<u>-</u>
Debt Service:					
Payment of Bond Principal	332,612.66	332,612.66	332,612.66	-	
Interest on Bonds	121,961.50	121,961.50	119,995.68	-	1,965.82
Total Debt Service	<u>454,574.16</u>	<u>454,574.16</u>	<u>452,608.34</u>	<u>-</u>	<u>1,965.82</u>
Deferred Charges and Statutory Expenditures					
Deferred Charges:					
Emergency Appropriation	100,000.00	100,000.00	100,000.00	-	
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	45,000.00	45,000.00	45,000.00	-	
Social Security System (O.A.S.I.)	15,000.00	15,000.00	10,118.60	4,881.40	
State Disability Insurance	150.00	150.00	86.33	63.67	
Total Deferred Charges and Statutory Expenditures	<u>160,150.00</u>	<u>160,150.00</u>	<u>155,204.93</u>	<u>4,945.07</u>	<u>-</u>
Total Appropriations	<u>\$ 3,890,057.16</u>	<u>3,890,057.16</u>	<u>2,841,795.00</u>	<u>29,365.33</u>	<u>1,965.82</u>
Original Budget	3,890,057.16	3,890,057.16			
Emergency Authorization	-	<u>3,890,057.16</u>			
			119,995.68	Interest on Bonds	
			100,000.00	Emergency Authorization	
			2,621,799.32	Disbursed	
			<u>2,841,795.00</u>		

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

	<u>2023</u>
<u>Assets</u>	
Operating Fund:	
Cash	\$ 1,101,517.75
Change Fund	50.00
Due from Water Operating Fund	<u>8,791.67</u>
	<u>1,110,359.42</u>
Receivables Full Reserves:	
Consumer Accounts Receivable	1,469.67
Sewer Liens Receivable	<u>1,136.79</u>
	<u>2,606.46</u>
Total Operating Fund	<u>1,112,965.88</u>
Capital Fund:	
Cash	4,304,952.80
Fixed Capital	8,411,904.60
Fixed Capital Authorized and Uncompleted	<u>9,344,170.36</u>
Total Capital Fund	<u>22,061,027.76</u>
	<u>\$ 23,173,993.64</u>

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

	<u>2023</u>
<u>Liabilities, Reserves, and Fund Balance</u>	
Operating Fund:	
Appropriation Reserves	\$ 1,689.90
Reserve for Encumbrances	-
Prepaid/Overpaid Water Payments	2,485.77
Accrued Interest on Bonds and Notes	<u>20,156.96</u>
	<u>24,332.63</u>
Reserve for Receivables	2,606.46
Fund Balance	<u>1,086,026.79</u>
Total Operating Fund	<u>1,112,965.88</u>
Capital Fund:	
Serial Bonds	3,058,900.00
NJ Wastewater Treatment Trust Loan	64,000.00
Improvement Authorizations:	
Funded	288,902.34
Unfunded	962,297.15
Encumbrances/Contracts Payable	7,514,371.95
Capital Improvement Fund	757,391.00
Deferred Reserve for Amortization	1,785,198.59
Reserve for Amortization	7,347,976.37
Fund Balance	<u>281,990.36</u>
Total Capital Fund	<u>22,061,027.76</u>
	<u>\$ 23,173,993.64</u>
There were Bonds and Notes Authorized But Not Issued at December 31,	
2023	5,500,000.00

**SEWER UTILITY FUND
STATEMENT OF OPERATIONS
AND CHANGE IN FUND BALANCE REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,**

	<u>2023</u>
<u>Revenues and Other Income Realized</u>	
Anticipated Operating Surplus	\$ 322,529.63
Sewer Rents	2,439,988.28
Miscellaneous Revenues Not Anticipated	32,158.11
Other Credit to Income:	
Accounts Payable - Canceled	-
Unexpended Balance of Appropriation Reserves	<u>200,892.15</u>
Total Income	<u>2,995,568.17</u>
<u>Expenditures</u>	
Operating	1,901,700.00
Capital Improvements	400,000.00
Debt Service	285,387.13
Deferred Charges and Statutory Expenditures	154,300.00
Refund of Prior Year Revenue	<u>-</u>
Total Expenditures	<u>2,741,387.13</u>
Excess/(Deficit) in Revenues	254,181.04
Adjustment to Income before Fund Balance:	
Expenditures Included Above Which are by Statute	-
Deferred Charges to Budget of Succeeding Year	<u>-</u>
Statutory Excess to Fund Balance	254,181.04
<u>Fund Balance</u>	
Fund Balance January 1	<u>1,154,375.38</u>
Decreased by:	
Utilized as Revenue in Sewer Utility Fund Budget	<u>322,529.63</u>
Fund Balance December 31	<u>\$ 1,086,026.79</u>

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

	<u>2023</u>
Beginning Balance January 1	\$ 281,990.36
Ending Balance December 31	\$ <u><u>281,990.36</u></u>

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

	Anticipated Budget	Realized	Excess or (Deficit)
Operating Surplus Anticipated	\$ 322,529.63	322,529.63	-
Rents	2,200,000.00	2,200,000.00	-
Additional Rents	220,000.00	239,988.28	19,988.28
	<u>2,742,529.63</u>	<u>2,762,517.91</u>	<u>19,988.28</u>
Analysis of Realized Revenues:			
Miscellaneous:			
Interest on Investment		26,545.88	
Interest on Delinquent Accounts		5,279.65	
Miscellaneous		<u>332.58</u>	
		<u>32,158.11</u>	

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

	Appropriations		Expended		(Overexpended) Unexpended Balance Canceled
	Budget	Budget After Modification	Paid Charged	Encumbered Reserved	
Operations:					
Salaries and Wages	\$ 1,100,000.00	1,152,750.00	1,152,700.47	49.53	
Other Expenses	800,000.00	748,950.00	747,521.80	1,428.20	
Total Operations	<u>1,900,000.00</u>	<u>1,901,700.00</u>	<u>1,900,222.27</u>	<u>-</u>	<u>-</u>
Capital Improvements:					
Capital Improvement Fund	400,000.00	400,000.00	400,000.00	-	-
Total Capital Improvements	<u>400,000.00</u>	<u>400,000.00</u>	<u>400,000.00</u>	<u>-</u>	<u>-</u>
Debt Service:					
Payment of Bond Principal	205,171.13	205,171.13	205,171.13	-	-
Interest on Bonds	81,358.50	81,358.50	80,216.00	-	1,142.50
Total Debt Service	<u>286,529.63</u>	<u>286,529.63</u>	<u>285,387.13</u>	<u>-</u>	<u>1,142.50</u>
Deferred Charges and Statutory Expenditures					
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	65,000.00	65,000.00	65,000.00	-	-
Social Security System (O.A.S.I.)	90,000.00	88,300.00	88,259.86	40.14	-
State Disability Insurance	1,000.00	1,000.00	827.97	172.03	-
Total Deferred Charges and Statutory Expenditures	<u>156,000.00</u>	<u>154,300.00</u>	<u>154,087.83</u>	<u>-</u>	<u>-</u>
Total Appropriations	<u>\$ 2,742,529.63</u>	<u>2,742,529.63</u>	<u>2,739,697.23</u>	<u>-</u>	<u>1,142.50</u>
Original Budget	<u>2,742,529.63</u>	<u>2,742,529.63</u>			
			80,216.00	Interest on Bonds	
			2,659,481.23	Disbursed	
			<u>2,739,697.23</u>		

**PARKING UTILITY FUND
BALANCE SHEET - REGULATORY BASIS AS OF
DECEMBER 31,**

	<u>2023</u>
<u>Assets</u>	
Operating Fund:	
Cash	\$ 100,950.85
	<u>100,950.85</u>
Total Operating Fund	<u>100,950.85</u>
Capital Fund:	
Cash	62,540.00
Fixed Capital Authorized and Uncompleted	<u>170,000.00</u>
Total Capital Fund	<u>232,540.00</u>
	\$ <u><u>333,490.85</u></u>
 <u>Liabilities, Reserves, and Fund Balance</u>	
Operating Fund:	
Appropriation Reserves	\$ 7,226.87
	<u>7,226.87</u>
Fund Balance	<u>93,723.98</u>
Total Operating Fund	<u>100,950.85</u>
Capital Fund:	
Improvement Authorizations - Funded	22,540.00
Capital Improvement Fund	40,000.00
Reserve for Amortization	<u>170,000.00</u>
Total Capital Fund	<u>232,540.00</u>
	\$ <u><u>333,490.85</u></u>

There were no Bonds and Notes Authorized But Not Issued at December 31,

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

	<u>2023</u>
<u>Revenues and Other Income Realized</u>	
Surplus Anticipated	\$ 69,050.00
Parking Meters	173,798.73
Miscellaneous Revenue Not Anticipated	30,499.46
Unexpended Balance of Appropriation Reserves	<u>67.47</u>
Total Income	<u>273,415.66</u>
<u>Expenditures</u>	
Operating	190,100.00
Capital Improvements	-
Deferred Charges and Statutory Expenditures	<u>4,450.00</u>
Total Expenditures	<u>194,550.00</u>
Excess in Revenues	78,865.66
<u>Adjustments to Income before Fund Balance</u>	
Expenditures included above which are by Statute Deferred Charges to Budgets of Succeeding Year	<u>-</u>
Total Adjustments	<u>-</u>
Statutory Excess to Fund Balance	<u>78,865.66</u>
<u>Fund Balance</u>	
Fund Balance January 1	<u>83,908.32</u>
	162,773.98
Decreased by:	
Utilized as Revenue in Operating Budget	<u>69,050.00</u>
Fund Balance December 31	<u><u>\$ 93,723.98</u></u>

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

	Anticipated Budget	Realized	Excess or (Deficit)
Surplus	\$ 69,050.00	69,050.00	-
Parking Meters	<u>125,500.00</u>	<u>173,798.73</u>	<u>48,298.73</u>
	<u>\$ 194,550.00</u>	<u>242,848.73</u>	<u>48,298.73</u>
Analysis of Miscellaneous Revenues not Anticipated:			
Miscellaneous:			
Parking Permit Fees	26,783.00		
EV Charging Station Revenue	2,917.23		
Interest on Investment	<u>799.23</u>		
		<u>30,499.46</u>	

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

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid Charged	Reserved	
Operations:					
Salaries and Wages	\$ 60,000.00	55,000.00	53,759.49	1,240.51	
Other Expenses	130,100.00	135,100.00	129,490.98	5,609.02	
Total Operations	190,100.00	190,100.00	183,250.47	6,849.53	(0.00)
Deferred Charges and Statutory Expenditures					
Deferred Charges:					
None	-	-	-	-	-
Statutory Expenditures:					
Contributions to:					
Social Security System (O.A.S.I.)	4,350.00	4,350.00	4,018.89	331.11	-
State Disability Insurance	100.00	100.00	53.77	46.23	-
Total Deferred Charges and Statutory Expenditures	4,450.00	4,450.00	4,072.66	377.34	-
Total Appropriations	\$ 194,550.00	194,550.00	187,323.13	7,226.87	(0.00)
Original Budget	194,550.00				
	194,550.00				
			187,323.13	Disbursed	
			187,323.13		

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

BOROUGH OF COLLINGSWOOD

CAMDEN COUNTY

NEW JERSEY

AUDIT REPORT

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

BOROUGH OF COLLINGSWOOD

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BOROUGH OF COLLINGSWOOD

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS - REGULATORY BASIS

FOR THE YEAR ENDED

DECEMBER 31, 2022



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of Board of Commissioners
Borough of Collingswood
County of Camden, New Jersey

Report on the Financial Statements

Opinions

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2022, the regulatory basis statements of operations for the year then ended and the regulatory basis statement of revenues and expenditures 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 as described in Note 1.

Prior Period Financial Statements

The financial statements of the Borough of Collingswood as of December 31, 2021, were audited by other auditors whose report dated June 24, 2022, expressed an Unmodified Opinion on the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Our responsibilities under those standards are further described in the Auditor's

Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Borough of Collingswood and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Borough of Collingswood on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey.

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Collingswood's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether in our judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the Borough of Collingswood's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Collingswood's basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents 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 July 7, 2023, on our consideration of the Borough of Collingswood's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Collingswood's internal control over financial reporting and compliance.

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

Michael S. Garcia
Michael S. Garica
Certified Public Accountant
Registered Municipal Accountant
No. 472

July 7, 2023

EXHIBIT - A
CURRENT FUND

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

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Regular Fund:		
Cash:		
Treasurer	\$ 6,571,109.74	6,020,269.50
Payroll/Agency	17,090.64	168,547.43
Change Funds	200.00	200.00
Total Cash	<u>6,588,400.38</u>	<u>6,189,016.93</u>
Receivables and Other Assets with Full Reserves:		
Delinquent Property Taxes Receivable	1,185.93	1,525.52
Tax Title and Other Liens	125,398.23	113,409.24
Property Acquired for Taxes - at Assessed Valuation	67,175.00	67,175.00
Clean-up Charges Receivables	13,564.53	13,564.53
Revenue Accounts Receivable	3,490.49	6,542.19
Interfund Receivable:		
Animal Control Trust	0.09	0.13
Trust Other Fund	240.80	1,722.00
Trust Tax Sale	253.69	210.63
Other Receivables:		
Protested Checks		
Total Receivables and Other Assets	<u>211,308.76</u>	<u>204,149.24</u>
Deferred Charges:		
Overexpenditure of Appropriations		<u>5,969.93</u>
Total Deferred Charges		<u>5,969.93</u>
Total Regular Fund	<u>6,799,709.14</u>	<u>6,399,136.10</u>
Federal and State Grant Fund:		
Cash	777,010.06	39,136.85
Federal and State Grants Receivable	1,752,484.51	856,398.79
Due from General Capital Fund	-	
Total Federal and State Grant Fund	<u>2,529,494.57</u>	<u>895,535.64</u>
Total Current Fund	<u>\$ 9,329,203.71</u>	<u>7,294,671.74</u>

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

	<u>2022</u>	<u>2021</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Regular Fund:		
Liabilities:		
Appropriation Reserves	\$ 1,991,954.02	1,532,893.53
Reserve for Encumbrances	429,643.50	117,501.95
Accounts Payable	5,229.12	227.72
Prepaid Taxes	311,043.86	332,791.01
Tax Overpayments	31,656.98	26,858.14
Local School Tax Payable	-	-
Due to County - Added & Omitted Taxes	36,033.87	15,803.08
Due Special Improvement District Tax Payable	-	43.01
Due Haddon Township Erroneous Payment		2,158.76
Due Camden County Utilities Authority	199.15	199.15
Due to State:		
Marriage License Fees	-	525.00
Uniform Construction Code State Training Fees	3,433.00	2,846.00
Senior Citizens & Veteran Deductions	6,750.00	7,250.00
Interfund		
Due Water Operating Fund		64.93
Due Water Capital Fund		600,000.00
Due Sewer Operating Fund		69.21
Other		
Reserve for Bid Guarantee	750.00	750.00
Security Deposits	450.00	925.00
JIF Safety Awards Unappropriated	2,000.00	2,000.00
Reserve for Municipal Relief Fund	62,357.65	
Reserve for National Oroids Settlement	23,198.64	
Payroll Taxes Payable	10,774.64	162,231.43
	<u>2,915,474.43</u>	<u>2,805,137.92</u>
Reserve for Receivables and Other Assets	211,308.76	204,149.24
Fund Balance	<u>3,672,925.95</u>	<u>3,389,848.94</u>
Total Regular Fund	<u>6,799,709.14</u>	<u>6,399,136.10</u>
Federal and State Grant Fund:		
Unappropriated Reserves	732,135.92	129,109.10
Appropriated Reserves	1,536,966.53	462,617.09
Reserve for Encumbrances	260,392.12	303,809.45
Total Federal and State Grant Fund	<u>2,529,494.57</u>	<u>895,535.64</u>
Total Current Fund	<u>\$ 9,329,203.71</u>	<u>7,294,671.74</u>

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

	2022	2021
Revenue and Other Income Realized		
Fund Balance	\$ 1,320,092.69	1,664,070.12
Miscellaneous Revenue Anticipated	7,324,085.75	6,208,633.02
Receipts from Delinquent Taxes	6,018.31	4,650.54
Receipts from Current Taxes	40,339,464.07	39,633,342.47
Non Budget Revenue	127,131.65	144,957.36
Other Credits to Income:		
Unexpended Balance of Appropriation Reserves	1,370,436.96	1,330,630.76
Encumbrances Payable Canceled		3,994.49
Accounts Payable Canceled	-	61,466.25
Federal and State Grants Appropriated Reserves Canceled	7,477.15	
Interfund Returned	1,638.40	234,937.47
Total Income	<u>50,496,344.98</u>	<u>49,286,682.48</u>
Expenditures		
Budget and Emergency Appropriations:		
Appropriations Within "CAPS"		
Operations:		
Salaries and Wages	6,025,600.00	5,972,400.00
Other Expenses	6,540,880.00	5,743,388.71
Deferred Charges & Statutory Expenditures	1,606,149.94	1,654,659.07
Appropriations Excluded from "CAPS"		
Operations:		
Salaries and Wages	49,104.00	365,879.00
Other Expenses	1,662,251.37	418,086.01
Capital Improvements	1,125,500.00	482,816.00
Debt Service	3,493,718.49	3,495,696.18
Deferred Charges	8,174.21	
Transfer to Board of Education	222,500.00	-
Local District School Tax	18,675,512.00	18,567,521.00
County Tax	9,165,530.80	9,040,007.29
County Share of Added Tax	36,033.87	15,803.08
Special Improvement District Tax	274,189.09	273,416.82
Interfund Created		2.52
Refund of Prior Year's Revenue - Other		8,553.09
Grants Receivable Canceled	5,000.00	
Prior Senior Citizens Deduction Disallowed	3,031.51	2,250.00
Total Expenditures	<u>48,893,175.28</u>	<u>46,040,478.77</u>
Excess in Revenue	<u>1,603,169.70</u>	<u>3,246,203.71</u>

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

	<u>2022</u>	<u>2021</u>
Adjustments to Income before Fund Balance:		
Expenditures included above which are by		
Statute Deferred Charges to Budgets of		
Succeeding Year	-	5,969.93
Total Adjustments	<u>-</u>	<u>5,969.93</u>
Statutory Excess to Fund Balance	1,603,169.70	3,252,173.64
Fund Balance January 1	<u>3,389,848.94</u>	<u>1,801,745.42</u>
	4,993,018.64	5,053,919.06
Decreased by:		
Utilization as Anticipated Revenue	<u>1,320,092.69</u>	<u>1,664,070.12</u>
Fund Balance December 31	<u>\$ 3,672,925.95</u>	<u>3,389,848.94</u>

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Anticipated		Excess or
	Budget	N.J.S. 40A:4-87	(Deficit)
Fund Balance Anticipated	\$ 1,320,092.69	1,320,092.69	-
Total Fund Balance Anticipated	1,320,092.69	1,320,092.69	-
Section A: Local Revenues			
Licenses:			
Other	1,200.00	1,053.00	(147.00)
Fees and Permits	25,000.00	35,123.21	10,123.21
Fines and Costs:		-	
Municipal Court	55,000.00	78,626.75	23,626.75
Interest and Costs on Taxes	59,000.00	66,979.22	7,979.22
Interest Earned on Investments	30,000.00	45,882.26	15,882.26
Department of Recreation Fees	50,000.00	76,796.27	26,796.27
Fire Code Fees	80,000.00	67,790.00	(12,210.00)
Delaware River Port Authority	30,000.00	30,000.00	-
Pool Tags	300,000.00	442,932.70	142,932.70
Rental Inspections	20,000.00	26,570.00	6,570.00
Resale Inspection Fees	28,000.00	26,120.00	(1,880.00)
Third Party Billing - Ambulance	370,000.00	369,969.06	(30.94)
Collingswood Ambulance Service (Membership)	7,500.00	12,710.00	5,210.00
Housing Inspections	65,000.00	77,830.00	12,830.00
Senior Community Center Rents	65,000.00	99,460.00	34,460.00
Total Section A: Local Revenues	1,185,700.00	1,457,842.47	272,142.47
Section B: State Aid Without Offsetting Appropriations			
Energy Receipts Tax	1,195,418.00	1,195,418.00	-
Total Section B: State Aid Without Offsetting Appropriations	1,195,418.00	1,195,418.00	-
Section C: Uniform Construction Code Fees			
Uniform Construction Code Fees	200,000.00	265,255.00	65,255.00
Total Section C: Uniform Construction Code Fees	200,000.00	265,255.00	65,255.00

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Anticipated		Realized	Excess or (Deficit)
	Budget	N.J.S. 40A:4-87		
Section D: Shared Municipal Service Agreements				
Off-set with Appropriations				
Construction Code - Borough of Oaklyn	30,000.00		35,981.64	5,981.64
Fire Code - Borough of Oaklyn	3,750.00		3,750.00	
Construction Code - Borough of Merchantville	15,354.00		14,000.00	(1,354.00)
Fire Service - Township of Haddon	30,038.18		30,038.17	(0.01)
Total Section D: Shared Municipal Service Agreements	79,142.18	-	83,769.81	4,627.63
Section F: Special Items - Public and Private Programs				
Off-Set with Appropriations				
NJ DOT Trust Fund Authority Act	275,000.00		275,000.00	-
Safe Routes to Schools Programs	370,000.00		370,000.00	-
Police Body Armor Grant	1,553.08		1,553.08	-
Cross County Connection	2,500.00	1,250.00	3,750.00	-
NJ DOT - Downtown Transit	190,000.00		190,000.00	-
NJ DOT - Clean Vehicle Program - EV Incentive	8,000.00		8,000.00	-
Community Development Block Grant		39,400.00	39,400.00	-
DEP EV DC Fast Charger Community Grant		75,000.00	75,000.00	-
Delaware Valley Regional Planning Commission - Top Grant		217,600.00	217,600.00	-
BPU Clean Energy EV Tourism Grant		150,000.00	150,000.00	-
Clean Communities Program Grant		29,510.12	29,510.12	-
Total Section F: Special Items - Public and Private Programs	847,053.08	512,760.12	1,359,813.20	-
Off-Set with Appropriations				
Section G: Other Special Items				
Cable TV Franchise Fees	73,071.53		73,071.53	-
Telephone/Internet Franchise Fees	86,434.02		86,434.02	-
Payment in Lieu of Taxes				
Parkview	2,450,000.00		2,125,713.28	(324,286.72)
Methodist Home	54,743.50		54,743.48	(0.02)
Collingswood Housing Authority	25,000.00		28,989.00	3,989.00
Lumberyard	144,000.00		138,483.85	(5,516.15)
Pewter Village	145,000.00		150,395.60	5,395.60
VOA	14,600.00		14,458.61	(141.39)
Zane School	10,438.18		12,449.81	2,011.63

CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Anticipated		Realized	Excess or (Deficit)
	Budget	N.J.S. 40A:4-87		
McFarlands				
Due from Collingswood Partners	7,000.00		7,833.56	833.56
Lease Payments - Catelli Parking	80,000.00		79,745.80	(254.20)
JIF Safety Award	18,000.00		18,000.00	-
Robert's Pool Concession Stand	3,000.00		2,000.00	(1,000.00)
ARP Funds	40,000.00		43,059.62	3,059.62
	126,609.11		126,609.11	-
Total Section G: Other Special Items	<u>3,277,896.34</u>	<u>-</u>	<u>2,961,987.27</u>	<u>(315,909.07)</u>
Total Miscellaneous Revenues:	6,785,209.60	512,760.12	7,324,085.75	26,116.03
Receipts from Delinquent Taxes	5,000.00		6,018.31	1,018.31
Amount to be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes	11,735,505.00		11,812,876.04	77,371.04
Minimum Library Tax	412,917.00		412,917.00	-
Total Amount to be Raised by Taxes for Support of Municipal Budget	<u>12,148,422.00</u>	<u>-</u>	<u>12,225,793.04</u>	<u>77,371.04</u>
Budget Totals	20,258,724.29	512,760.12	20,875,989.79	104,505.38
Non- Budget Revenues:				
Other Non- Budget Revenues:			127,131.65	127,131.65
	<u>\$ 20,258,724.29</u>	<u>512,760.12</u>	<u>21,003,121.44</u>	<u>231,637.03</u>

**CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Analysis of Realized Revenues

Allocation of Current Tax Collections:

Revenue from Collections	\$ 40,339,464.07
Less: Reserve for Tax Appeals Pending	<u>-</u>
Net Revenue from Collections	40,339,464.07
Allocated to:	
School, County and Other Taxes	<u>28,151,265.76</u>
Balance for Support of Municipal Budget Appropriations	12,188,198.31
Increased by:	
Appropriation "Reserved for Uncollected Taxes"	<u>37,594.73</u>
Amount for Support of Municipal Budget Appropriations	<u><u>12,225,793.04</u></u>

Receipts from Delinquent Taxes:

Delinquent Tax Collection	4,557.03
Tax Title Lien Collections	<u>1,461.28</u>
Total Receipts from Delinquent Taxes	<u><u>6,018.31</u></u>

Analysis of Non-Budget Revenue:

Miscellaneous Revenue Not Anticipated:

Ambulance Donations	140.00
Recycling Revenue	26,950.46
Other Miscellaneous	55,135.13
DMV Inspection Fines	250.50
Conrail	300.00
Senior Citizen & Veteran's Administrative Fee	1,084.37
Sale of Municipal Assets	11,464.70
Uniform Fire Safety LEA Rebate	21,057.11
Clean Up Fees	2,837.01
Refund of Prior Year's Expenditures	1,250.00
Prior Year Voids	<u>6,662.37</u>

Total Miscellaneous Revenue Not Anticipated:	<u><u>127,131.65</u></u>
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CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Administrator's Office						
Salaries and Wages	\$ 36,000.00	36,000.00	32,865.28		3,134.72	
Other Expenses	7,700.00	7,700.00	5,878.99	85.02	1,735.99	
Mayor and Commissioners						
Salaries and Wages	26,000.00	26,100.00	26,061.90		38.10	
Other Expenses	2,500.00	2,500.00	760.00		1,740.00	
Municipal Clerk						
Salaries and Wages	63,000.00	63,000.00	59,242.38		3,757.62	
Other Expenses	38,000.00	38,000.00	29,297.88		8,702.12	
Elections						
Salaries and Wages	1,500.00	1,500.00	1,000.00		500.00	
Other Expenses	12,000.00	12,000.00	10,517.78		1,482.22	
Financial Administration						
Salaries and Wages	95,000.00	95,000.00	78,993.32		16,006.68	
Other Expenses	50,000.00	50,000.00	28,277.50	4,800.00	16,922.50	
Computer Consultant	26,000.00	26,000.00	26,000.00		-	
Audit Services						
Other Expenses	70,000.00	70,000.00	53,000.00		17,000.00	
Collection of Taxes						
Salaries and Wages	56,000.00	56,000.00	54,159.98		1,840.02	
Other Expenses	27,500.00	27,500.00	17,180.47	22.00	10,297.53	
Assessment of Taxes						
Salaries and Wages	29,000.00	29,000.00	27,581.82		1,418.18	
Other Expenses	7,100.00	7,100.00	3,996.16		3,103.84	
Legal Services and Costs						
Other Expenses	250,000.00	250,000.00	183,465.34	28,925.55	37,609.11	
Engineering Services and Costs						
Other Expenses	196,000.00	216,000.00	122,687.50	90,866.25	2,446.25	
Community Development						
Salaries and Wages	27,500.00	19,500.00	15,589.72		3,910.28	
Other Expenses						
Miscellaneous Other Expenses	20,000.00	20,000.00	17,331.23		2,668.77	
Community Consultant	70,000.00	62,000.00	51,145.68		10,854.32	
Historical Building - Knight Homestead						
Other Expenses	500.00	500.00	300.00		200.00	
LAND USE ADMINISTRATION						
Municipal Land Use Law (N.J.S.A. 40:55D-1)						
Zoning Commission						
Salaries and Wages	28,000.00	28,000.00	26,264.96		1,735.04	
Other Expenses	5,000.00	5,000.00	4,981.96		18.04	

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
Land Use Board						
Salaries and Wages	9,500.00	9,500.00	8,687.88		812.12	
Other Expenses	35,000.00	35,000.00	25,540.23		9,459.77	
INSURANCE						
Liability Insurance	310,228.00	310,978.00	310,864.00		114.00	
Workmen's Compensation	239,000.00	239,000.00	239,000.00		-	
Group Insurance Plans for Employees	1,916,000.00	1,905,150.00	1,495,083.48		410,066.52	
Health Benefit Waiver	20,000.00	23,000.00	22,743.75		256.25	
PUBLIC SAFETY FUNCTIONS						
Police						
Salaries and Wages	2,900,000.00	2,900,000.00	2,515,043.79		384,956.21	
Other Expenses	200,000.00	200,000.00	143,645.90	1,078.13	55,275.97	
Police Car Lease	34,000.00	34,000.00	-	28,353.19	5,646.81	
Ambulance						
Other Expenses	55,500.00	55,500.00	28,639.08		26,860.92	
Emergency Management Services						
Other Expenses	2,000.00	2,000.00	1,088.89		911.11	
Fire						
Salaries and Wages	1,655,000.00	1,655,000.00	1,483,134.71		171,865.29	
Other Expenses	52,100.00	52,100.00	40,687.09	5,393.64	6,019.27	
Uniform Fire Safety Act (PL 1983, CH 383)						
Fire Inspector						
Salaries and Wages	94,000.00	94,000.00	89,686.86		4,313.14	
Other Expenses	12,700.00	12,700.00	7,993.18		4,706.82	
Municipal Prosecutor						
Other Expenses	15,500.00	15,500.00	15,450.92		49.08	
PUBLIC WORKS						
Streets and Highways						
Salaries and Wages	350,000.00	350,000.00	318,836.34		31,163.66	
Other Expenses	54,752.00	44,752.00	44,646.39	77.80	27.81	
JIF Safety Equipment						
Other Expenses	3,250.00	3,250.00	1,356.72		1,893.28	

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
Storm Recovery						
Other Expenses	10,000.00	10,000.00	1,384.45	6,000.00	2,615.55	
Stormwater Management						
Other Expenses	6,000.00	6,000.00	-		6,000.00	
Shade Tree Commission						
Other Expenses	35,000.00	35,000.00	23,177.42	305.00	11,517.58	
Solid Waste Collection						
Other Expenses	885,000.00	885,000.00	856,060.48		28,939.52	
Public Building and Grounds						
Other Expenses	105,000.00	130,000.00	118,354.85	7,290.35	4,354.80	
Lumberyard						
Other Expenses	10,000.00	10,000.00	9,999.30		0.70	
Vehicle Maintenance						
Other Expenses	45,000.00	57,000.00	49,543.48	2,514.60	4,941.92	
HEALTH AND HUMAN SERVICES						
Public Health Services (Board of Health)						
Other Expenses	5,000.00	5,000.00	3,012.71		1,987.29	
Animal Regulation						
Other Expenses	20,000.00	20,000.00	14,855.49		5,144.51	
PARK AND RECREATION						
Parks and Playgrounds						
Salaries and Wages	40,000.00	40,500.00	40,136.44		363.56	
Other Expenses	100,000.00	100,000.00	62,755.19		37,244.81	
Robert's Park Swimming Pool						
Salaries and Wages	200,000.00	170,000.00	167,700.15		2,299.85	
Other Expenses	220,000.00	220,000.00	116,070.05	43,466.82	60,463.13	
Senior Center						
Salaries and Wages	55,000.00	56,500.00	56,472.75		27.25	
Other Expenses	48,000.00	48,000.00	42,493.27	228.00	5,278.73	
Foundation for the Arts						
Other Expenses	1,000.00	1,000.00	-		1,000.00	
Business Improvement District						
Salaries and Wages	70,000.00	62,000.00	57,288.66		4,711.34	
Other Expenses	34,500.00	34,500.00	33,850.53		649.47	
OTHER COMMON OPERATING FUNCTIONS						
Community Sponsored Events						
Other Expenses	30,000.00	30,000.00	26,713.10		3,286.90	
Utility and Bulk Expenses						
Electricity	200,000.00	200,000.00	100,332.50		99,667.50	
Street Lighting	190,000.00	190,000.00	171,513.52		18,486.48	
Telephone	55,000.00	55,000.00	34,772.64		20,227.36	
Gas (Natural or Propane)	50,000.00	50,000.00	24,053.92		25,946.08	
Fuel Oil	55,000.00	55,000.00	53,096.09		1,903.91	
Telecommunications Costs	32,000.00	32,000.00	17,115.50		14,884.50	
Gasoline	60,000.00	72,000.00	69,823.91		2,176.09	

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

**CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Appropriations		Paid or		Expended		(Over expended)
	Budget	Budget After Modifications	Charged		Encumbered	Reserved	Unexpended Balance Cancelled
Solid Waste Disposal Costs							
Solid Waste Disposal							
Other Expenses	510,000.00	510,000.00	407,761.73			102,238.27	
Municipal Court							
Salaries and Wages	180,000.00	169,000.00	120,931.57			48,068.43	
Other Expenses	23,650.00	34,650.00	26,346.67		300.00	8,003.33	
Public Defender							
Other Expenses	12,000.00	12,000.00	5,715.50			6,284.50	
UNIFORM CONSTRUCTION CODE - Appropriations							
Offset by Dedicated Revenues (NJAC 5:23-4.17)							
Construction Official							
Salaries and Wages	165,000.00	165,000.00	152,461.48			12,538.52	
Other Expenses	11,500.00	11,500.00	9,286.13		2,151.40	62.47	
TOTAL OPERATIONS WITHIN "CAPS"	12,566,480.00	12,566,480.00	10,541,788.54		221,857.75	1,802,833.71	-
Contingent	-	-	-		-	-	-
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	12,566,480.00	12,566,480.00	10,541,788.54		221,857.75	1,802,833.71	-
Detail:							
Salaries and Wages	6,080,500.00	6,025,600.00	5,332,139.99		-	693,460.01	-
Other Expenses	6,485,980.00	6,540,880.00	5,209,648.55		221,857.75	1,109,373.70	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES:							
Statutory Expenditures:							
Contributions to:							
Public Employees' Retirement System	225,638.00	225,638.00	222,940.66			2,697.34	
Public Employees' Retirement System - Adjustment Bill	11,135.94	11,135.94	11,032.56			103.38	
Social Security System (O.A.S.I.)	230,000.00	230,000.00	194,379.36			35,620.64	
Police and Firemen's Retirement System	1,123,376.00	1,123,376.00	1,123,376.00			-	
State Disability Insurance	10,000.00	10,000.00	3,580.61			6,419.39	
Defined Contribution Retirement Program	6,000.00	6,000.00	2,681.49			3,318.51	
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES:	1,606,149.94	1,606,149.94	1,557,990.68		-	48,159.26	-

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Appropriations		Paid or Charged	Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications		Encumbered	Reserved	
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	14,172,629.94	14,172,629.94	12,099,779.22	221,857.75	1,850,992.97	-
OPERATIONS - EXCLUDED FROM "CAPS"						
Education Functions						
Maintenance of Free Public Library						
Salaries and Wages	333,000.00	333,000.00	325,803.42		7,196.58	
Other Expenses	104,400.00	104,400.00	79,955.13	7,973.00	16,471.87	
Solid Waste Disposal Costs						
Recycling Tax						
Other Expenses	17,500.00	17,500.00	11,810.44		5,689.56	
Shared Service Agreements						
Construction Code - Shared Service Agreements						
Construction Official - Salaries & Wages						
Borough of Oaklyn	30,000.00	30,000.00	30,000.00		-	
Borough of Merchantville	15,354.00	15,354.00	13,591.74		1,762.26	
Fire Services - Shared Service Agreements						
Fire Inspection - Salaries and Wages						
Borough of Oaklyn	3,750.00	3,750.00	3,750.00			
Township of Haddon						
Other Expenses	30,038.17	30,038.17	20,963.88	9,000.00	74.29	
Collingswood BOE - Janitorial Services & Maintenance	22,500.00	22,500.00	20,625.00	1,875.00	-	
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	556,542.17	556,542.17	506,499.61	18,848.00	31,194.56	-

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Appropriations		Paid or		Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Charged	Reserved	Encumbered	Reserved	
(A) Public and Private Programs Off-Set by Revenues							
Matching Funds for Grants	70,000.00	26,480.00		26,480.00			
Clean Communities Program	-	29,510.12	29,510.12	-			
Police Body Armor Grant	1,553.08	1,553.08	1,553.08	-			
Community Development Block Grant	-	39,400.00	39,400.00	-			
Safe Routes to Schools	370,000.00	370,000.00	370,000.00	-			
Delaware Valley Regional Planning	-	261,120.00	261,120.00	-			
NJDOT - Transit Grant	190,000.00	190,000.00	190,000.00	-			
EV Grant	8,000.00	8,000.00	8,000.00	-			
NJ BPU Clean Energy EV Tourism Grant	-	150,000.00	150,000.00	-			
NJDEP - EV DC Fast Charger Community Grant	-	75,000.00	75,000.00	-			
Cross County Connection	2,500.00	3,750.00	3,750.00	-			
	<u>642,053.08</u>	<u>1,154,813.20</u>	<u>1,128,333.20</u>	<u>26,480.00</u>	<u>-</u>	<u>26,480.00</u>	<u>-</u>
Total Operations - Excluded from "CAPS"	<u>1,198,595.25</u>	<u>1,711,355.37</u>	<u>1,634,832.81</u>	<u>57,674.56</u>	<u>18,848.00</u>	<u>57,674.56</u>	<u>-</u>
Detail:							
Salaries and Wages	49,104.00	49,104.00	47,341.74		-	1,762.26	-
Other Expenses	1,149,491.25	1,662,251.37	1,587,491.07		18,848.00	55,912.30	-
	<u>1,198,595.25</u>	<u>1,711,355.37</u>	<u>1,634,832.81</u>	<u>57,674.56</u>	<u>18,848.00</u>	<u>57,674.56</u>	<u>-</u>
(C) Capital Improvements							
Capital Improvement Fund	525,000.00	525,000.00	525,000.00	-		-	
NJ DOT Trust Fund	275,000.00	275,000.00	275,000.00	-		-	
Reserve for Improvements to Parking Lot	200,000.00	200,000.00	10,743.75	75,318.50	113,937.75	75,318.50	
Reserve for EV Charging Station	18,000.00	18,000.00	18,000.00	-		-	
Reserve for Recreation Facility Improve	75,000.00	75,000.00	-	-	75,000.00	-	
Reserve for Improvement to Senior Center	25,000.00	25,000.00	24,532.01	467.99		467.99	
Reserve for Bike Lane Improvements	7,500.00	7,500.00	-	7,500.00		7,500.00	
	<u>1,125,500.00</u>	<u>1,125,500.00</u>	<u>853,275.76</u>	<u>83,286.49</u>	<u>188,937.75</u>	<u>83,286.49</u>	<u>-</u>
Total Capital Improvements	<u>1,125,500.00</u>	<u>1,125,500.00</u>	<u>853,275.76</u>	<u>83,286.49</u>	<u>188,937.75</u>	<u>83,286.49</u>	<u>-</u>

(A) Public and Private Programs Off-Set by Revenues
 Matching Funds for Grants
 Clean Communities Program
 Police Body Armor Grant
 Community Development Block Grant
 Safe Routes to Schools
 Delaware Valley Regional Planning
 NJDOT - Transit Grant
 EV Grant
 NJ BPU Clean Energy EV Tourism Grant
 NJDEP - EV DC Fast Charger Community Grant
 Cross County Connection

Total Operations - Excluded from "CAPS"
 Detail:
 Salaries and Wages
 Other Expenses

(C) Capital Improvements
 Capital Improvement Fund
 NJ DOT Trust Fund
 Reserve for Improvements to Parking Lot
 Reserve for EV Charging Station
 Reserve for Recreation Facility Improve
 Reserve for Improvement to Senior Center
 Reserve for Bike Lane Improvements

Total Capital Improvements

CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Appropriations		Expended		(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	
(D) Debt Service					
Payment of Bond Principal	2,085,000.00	2,085,000.00	2,085,000.00	-	-
Interest on Bonds	704,530.16	704,530.16	704,530.16	-	-
Payment of Bond Anticipation Notes	700,000.00	700,000.00	700,000.00	-	-
Interest on Notes	4,200.00	4,200.00	4,188.33	0.00	11.67
Total Debt Service	<u>3,493,730.16</u>	<u>3,493,730.16</u>	<u>3,493,718.49</u>	<u>-</u>	<u>11.67</u>
Transfer to Board of Education	<u>222,500.00</u>	<u>222,500.00</u>	<u>222,500.00</u>	<u>-</u>	<u>-</u>
(E) Deferred Charges					
Deficit in Storm Recovery Trust	2,204.28	2,204.28	2,204.28	-	-
Overexpenditure Approp Reserve	5,969.93	5,969.93	5,969.93	-	-
Total Deferred Charges	<u>8,174.21</u>	<u>8,174.21</u>	<u>8,174.21</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	<u>6,048,499.62</u>	<u>6,561,259.74</u>	<u>6,212,501.27</u>	<u>207,785.75</u>	<u>11.67</u>
SUBTOTAL GENERAL APPROPRIATIONS	<u>20,221,129.56</u>	<u>20,733,889.68</u>	<u>18,312,280.49</u>	<u>429,643.50</u>	<u>11.67</u>
(M) Reserve for Uncollected Taxes and tax appeals	<u>37,594.73</u>	<u>37,594.73</u>	<u>37,594.73</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL APPROPRIATIONS	<u>\$ 20,258,724.29</u>	<u>20,771,484.41</u>	<u>18,349,875.22</u>	<u>429,643.50</u>	<u>11.67</u>
Budget		20,258,724.29			11.67
Appropriations by 40A:4-87		<u>512,760.12</u>			<u>-</u>
		<u>20,771,484.41</u>			<u>11.67</u>
Reserve for Uncollected Taxes		37,594.73			
Deferred Charges - Overexpenditure of Appropriation Reserve		5,969.93			
Federal and State Grants		1,403,333.20			
Disbursements		16,902,977.36			
		<u>18,349,875.22</u>			
		-			
			Cancelled Overexpended		
					11.67
					<u>11.67</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

EXHIBIT - B
TRUST FUND

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

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Animal Control Fund:		
Cash	210.45	752.11
	<u>210.45</u>	<u>752.11</u>
Total Animal Control Fund		
	<u>210.45</u>	<u>752.11</u>
Other Funds:		
Cash - Trust Other	426,228.84	474,732.18
Cash - Tax Collector	758,203.14	782,397.64
Cash - Unemployment Trust	82,838.36	71,915.54
Deficit in Storm Recovery Trust		2,204.28
Accounts Receivable Commodity Resale	69,326.24	27,159.90
Accounts Receivable Off-Duty Police	25,887.03	24,310.65
Total Other Funds	<u>1,362,483.61</u>	<u>1,382,720.19</u>
	<u>\$ 1,362,694.06</u>	<u>1,383,472.30</u>
<u>Liabilities, Reserves, and Fund Balance</u>		
Animal Control Fund:		
Reserve for Animal Control Fund Expenditures	210.36	751.98
Due to Current Fund	<u>0.09</u>	<u>0.13</u>
Total Animal Control Fund	<u>210.45</u>	<u>752.11</u>
Other Funds:		
Due to Current Fund	240.80	1,722.00
Due to Current Fund - Tax Sale	253.69	210.63
Miscellaneous Trust Reserves and Escrows	1,297,601.53	1,343,966.51
Encumbrances Payable	<u>64,387.59</u>	<u>36,821.05</u>
Total Other Funds:	<u>1,362,483.61</u>	<u>1,382,720.19</u>
	<u>\$ 1,362,694.06</u>	<u>1,383,472.30</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

EXHIBIT - C
GENERAL CAPITAL FUND

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

<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Cash	\$ 1,821,654.77	1,693,264.09
Grant Receivable	25,000.00	
Due from Knight Park Trustees	25,000.00	
Deferred Charges to Future Taxation -		
Funded	22,870,000.00	24,955,000.00
Unfunded	3,550,000.00	4,250,000.00
	<u>28,291,654.77</u>	<u>30,898,264.09</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Contracts/Encumbrances Payable	1,002,009.92	580,778.37
Bond Anticipation Notes Payable	700,000.00	1,400,000.00
Serial Bonds Payable	22,870,000.00	24,955,000.00
Improvement Authorizations:		
Funded	394,608.54	276,862.91
Unfunded	2,602,682.34	2,843,268.84
Capital Improvement Fund	238,206.67	358,206.67
Fund Balance	484,147.30	484,147.30
	<u>\$ 28,291,654.77</u>	<u>30,898,264.09</u>

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

2021	2,850,000.00
2022	2,850,000.00

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

	<u>2022</u>	<u>2021</u>
Beginning Balance January 1	\$ 484,147.30	484,147.30
Ending Balance December 31	\$ <u>484,147.30</u>	<u>484,147.30</u>

EXHIBIT - D
WATER UTILITY FUND

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

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Operating Fund:		
Cash	\$ 1,928,065.28	1,542,282.79
Change Fund	50.00	50.00
Due from Current Fund		64.93
	<u>1,928,115.28</u>	<u>1,542,397.72</u>
Receivables Full Reserves:		
Consumer Accounts Receivable	289,267.47	284,122.29
Water Liens Receivable	-	636.37
	<u>289,267.47</u>	<u>284,758.66</u>
Deferred Charges:		
Emergency Authorization	<u>100,000.00</u>	
Total Deferred Charges	<u>100,000.00</u>	
Total Operating Fund	<u>2,317,382.75</u>	<u>1,827,156.38</u>
Capital Fund:		
Cash	1,255,839.92	1,040,914.44
Due from Current Fund		600,000.00
Fixed Capital	12,887,433.80	12,187,433.80
Fixed Capital Authorized and Uncompleted	<u>5,820,000.00</u>	<u>6,190,000.00</u>
Total Capital Fund	<u>19,963,273.72</u>	<u>20,018,348.24</u>
	<u>\$ 22,280,656.47</u>	<u>21,845,504.62</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	2022	2021
<u>Liabilities, Reserves, and Fund Balance</u>		
Operating Fund:		
Appropriation Reserves	\$ 885,353.42	589,240.63
Reserve for Encumbrances	3,406.38	68,234.09
Due Sewer Operating Fund	12,840.09	11,495.80
Accounts Payable	41,812.93	473.00
Water Rent Overpayments	25,572.48	25,383.28
Accrued Interest on Bonds and Notes	32,855.99	34,605.21
	<u>1,001,841.29</u>	<u>729,432.01</u>
Reserve for Receivables	289,267.47	284,758.66
Fund Balance	<u>1,026,273.99</u>	<u>812,965.71</u>
Total Operating Fund	<u>2,317,382.75</u>	<u>1,827,156.38</u>
Capital Fund:		
Serial Bonds	4,450,900.00	4,734,800.00
NJEIT Loans Payable	677,002.62	759,815.28
Improvement Authorizations:		
Funded	249,014.95	330,548.41
Unfunded	474,350.00	500,000.00
Contracts Payable	392,543.69	1,000,434.75
Capital Improvement Fund	635,205.99	305,205.99
Deferred Reserve for Amortization	2,100,000.00	1,770,000.00
Reserve for Amortization	10,979,531.18	10,612,818.52
Fund Balance	<u>4,725.29</u>	<u>4,725.29</u>
Total Capital Fund	<u>19,963,273.72</u>	<u>20,018,348.24</u>
	<u>\$ 22,280,656.47</u>	<u>21,845,504.62</u>
There were Bonds and Notes Authorized But Not Issued at December 31,		
2021	500,000.00	
2022	500,000.00	

**WATER UTILITY FUND
COMPARATIVE STATEMENT OF OPERATIONS
AND CHANGE IN FUND BALANCE REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,**

	<u>2022</u>	<u>2021</u>
<u>Revenues and Other Income Realized</u>		
Anticipated Operating Surplus	\$ 257,097.16	238,469.47
Rents	3,293,384.38	3,060,696.88
Miscellaneous Revenues Anticipated	30,275.13	25,332.85
Other Credit to Income:		
Accounts Payable - Canceled	-	5,244.50
Unexpended Balance of Appropriation Reserves	544,994.73	469,467.85
	<u>4,125,751.40</u>	<u>3,799,211.55</u>
Total Income		
<u>Expenditures</u>		
Operations	2,592,000.00	2,417,700.00
Capital Improvements	600,000.00	100,000.00
Debt Service	497,845.96	494,310.78
Deferred Charges and Statutory Expenditures	65,500.00	61,000.00
Refund of Prior Year Revenue	-	-
	<u>3,755,345.96</u>	<u>3,073,010.78</u>
Total Expenditures		
Excess/(Deficit) in Revenues	370,405.44	726,200.77
Adjustment to Income before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year	100,000.00	-
	<u>100,000.00</u>	<u>-</u>
Statutory Excess to Fund Balance	470,405.44	726,200.77
<u>Fund Balance</u>		
Fund Balance January 1	<u>812,965.71</u>	<u>325,234.41</u>
Decreased by:		
Utilized as Revenue in Water and Sewer and Sewer Utility Fund Budget	<u>257,097.16</u>	<u>238,469.47</u>
Fund Balance December 31	<u>\$ 1,026,273.99</u>	<u>812,965.71</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	<u>2022</u>	<u>2021</u>
Beginning Balance January 1	\$ 4,725.29	4,725.29
Ending Balance December 31	\$ <u>4,725.29</u>	<u>4,725.29</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

WATER UTILITY FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2022

	Anticipated Budget	Realized	Excess or (Deficit)
Operating Surplus Anticipated	\$ 257,097.16	257,097.16	-
Rents	3,000,000.00	3,000,000.00	-
Additional Rents	400,000.00	293,384.38	(106,615.62)
	<u>3,657,097.16</u>	<u>3,550,481.54</u>	<u>(106,615.62)</u>
Analysis of Realized Revenues:			
Miscellaneous:			
Interest on Investment		14,624.70	
Interest on Delinquent Accounts		15,080.43	
Miscellaneous		<u>570.00</u>	
		<u>30,275.13</u>	

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

WATER UTILITY FUND
WATER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Appropriations		Expended		(Overexpended) Unexpended Balance Canceled
	Budget	Budget After Modification	Paid Charged	Encumbered Reserved	
Operations:					
Salaries and Wages	\$ 250,000.00	200,000.00	114,687.76	85,312.24	
Other Expenses	1,642,000.00	1,792,000.00	1,003,581.97	785,011.65	
Shared Service MPWC	600,000.00	600,000.00	595,833.36	4,166.64	
Total Operations	2,492,000.00	2,592,000.00	1,714,103.09	3,406.38	-
Capital Improvements:					
Capital Improvement Fund	600,000.00	600,000.00	600,000.00	-	-
Total Capital Improvements	600,000.00	600,000.00	600,000.00	-	-
Debt Service:					
Payment of Bond Principal	366,712.66	366,712.66	366,712.66	-	(0.00)
Interest on Bonds	132,884.50	132,884.50	131,133.30	-	1,751.20
Total Debt Service	499,597.16	499,597.16	497,845.96	-	1,751.20
Deferred Charges and Statutory Expenditures					
Deferred Charges:					
None	-	-	-	-	-
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	45,000.00	45,000.00	45,000.00	-	-
Social Security System (O.A.S.I.)	20,000.00	20,000.00	9,561.20	10,438.80	-
State Disability Insurance	500.00	500.00	75.91	424.09	-
Total Deferred Charges and Statutory Expenditures	65,500.00	65,500.00	54,637.11	10,862.89	-
Total Appropriations	\$ 3,657,097.16	3,757,097.16	2,866,586.16	3,406.38	1,751.20
Emergency Authorization	Original Budget	3,657,097.16			
	Emergency Authorization	100,000.00			
		3,657,097.16			
			131,133.30	Interest on Bonds	
			2,735,452.86	Disbursed	
			2,866,586.16		

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

EXHIBIT - E
SEWER UTILITY FUND

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

	<u>2022</u>	<u>2021</u>
<u>Assets</u>		
Operating Fund:		
Cash	\$ 1,384,840.85	1,692,148.89
Change Fund	50.00	50.00
Due from Current Fund		69.21
Due from Water Operating Fund	<u>12,840.09</u>	<u>11,495.80</u>
	<u>1,397,730.94</u>	<u>1,703,763.90</u>
Receivables Full Reserves:		
Consumer Accounts Receivable	3,161.39	112,938.41
Sewer Liens Receivable	<u>155.04</u>	<u>2,182.83</u>
	<u>3,316.43</u>	<u>115,121.24</u>
Total Operating Fund	<u>1,401,047.37</u>	<u>1,818,885.14</u>
Capital Fund:		
Cash	3,325,997.44	3,008,182.44
Fixed Capital	8,411,904.60	7,611,904.60
Fixed Capital Authorized and Uncompleted	<u>4,562,561.25</u>	<u>5,362,561.25</u>
Total Capital Fund	<u>16,300,463.29</u>	<u>15,982,648.29</u>
	<u>\$ 17,701,510.66</u>	<u>17,801,533.43</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	<u>2022</u>	<u>2021</u>
<u>Liabilities, Reserves, and Fund Balance</u>		
Operating Fund:		
Appropriation Reserves	\$ 203,128.59	314,301.92
Reserve for Encumbrances	11,852.14	6,401.96
Prepaid/Overpaid Water Payments	7,075.37	6,329.80
Accrued Interest on Bonds and Notes	<u>21,299.46</u>	<u>22,203.13</u>
	<u>243,355.56</u>	<u>349,236.81</u>
Reserve for Receivables	3,316.43	115,121.24
Fund Balance	<u>1,154,375.38</u>	<u>1,354,527.09</u>
Total Operating Fund	<u>1,401,047.37</u>	<u>1,818,885.14</u>
Capital Fund:		
Serial Bonds	3,239,100.00	3,415,200.00
NJ Wastewater Treatment Trust Loan	88,971.13	126,733.83
Improvement Authorizations:		
Funded	910,366.36	2,030,002.86
Unfunded	2,000,000.00	2,000,000.00
Encumbrances/Contracts Payable	1,161,249.72	223,798.22
Capital Improvement Fund	972,391.00	472,391.00
Deferred Reserve for Amortization	503,589.48	503,589.48
Reserve for Amortization	7,142,805.24	6,928,942.54
Fund Balance	<u>281,990.36</u>	<u>281,990.36</u>
Total Capital Fund	<u>16,300,463.29</u>	<u>15,982,648.29</u>
	<u>\$ 17,701,510.66</u>	<u>17,801,533.43</u>
There were Bonds and Notes Authorized But Not Issued at December 31,		
2021	2,000,000.00	
2022	2,000,000.00	

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

	<u>2022</u>	<u>2021</u>
<u>Revenues and Other Income Realized</u>		
Anticipated Operating Surplus	\$ 571,173.20	168,852.14
Sewer Rents	2,231,492.20	2,126,916.70
Miscellaneous Revenues Not Anticipated	29,213.40	24,958.01
Other Credit to Income:		
Accounts Payable - Canceled	-	
Unexpended Balance of Appropriation Reserves	309,411.85	346,943.04
	<u>3,141,290.65</u>	<u>2,667,669.89</u>
Total Income		
<u>Expenditures</u>		
Operating	1,810,000.00	1,490,000.00
Capital Improvements	500,000.00	100,000.00
Debt Service	300,269.16	322,628.12
Deferred Charges and Statutory Expenditures	160,000.00	228,500.00
Refund of Prior Year Revenue	-	-
	<u>2,770,269.16</u>	<u>2,141,128.12</u>
Total Expenditures		
Excess/(Deficit) in Revenues	371,021.49	526,541.77
Adjustment to Income before Fund Balance:		
Expenditures Included Above Which are by Statute	-	-
Deferred Charges to Budget of Succeeding Year	-	-
	<u>371,021.49</u>	<u>526,541.77</u>
Statutory Excess to Fund Balance		
<u>Fund Balance</u>		
Fund Balance January 1	<u>1,354,527.09</u>	<u>996,837.46</u>
Decreased by:		
Utilized as Revenue in Sewer Utility Fund Budget	<u>571,173.20</u>	<u>168,852.14</u>
Fund Balance December 31	<u>\$ 1,154,375.38</u>	<u>1,354,527.09</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	<u>2022</u>	<u>2021</u>
Beginning Balance January 1	\$ 281,990.36	281,990.36
Ending Balance December 31	\$ <u>281,990.36</u>	<u>281,990.36</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

SEWER UTILITY FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2022

	Anticipated Budget	Realized	Excess or (Deficit)
Operating Surplus Anticipated	\$ 571,173.20	571,173.20	-
Rents	2,100,000.00	2,100,000.00	-
Additional Rents	100,000.00	131,492.20	31,492.20
	<u>2,771,173.20</u>	<u>2,802,665.40</u>	<u>31,492.20</u>
Analysis of Realized Revenues:			
Miscellaneous:			
Interest on Investment		23,876.95	
Interest on Delinquent Accounts		5,063.85	
Miscellaneous		<u>272.60</u>	
		<u>29,213.40</u>	

SEWER UTILITY FUND
SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Appropriations		Expended		(Overexpended) Unexpended Balance Canceled
	Budget	Budget After Modification	Paid Charged	Encumbered	
Operations:					
Salaries and Wages	\$ 1,135,000.00	1,135,000.00	980,516.79		154,483.21
Other Expenses	675,000.00	675,000.00	633,843.77	11,852.14	29,304.09
Shared Service MPWC		-			-
Total Operations	1,810,000.00	1,810,000.00	1,614,360.56	11,852.14	183,787.30
Capital Improvements:					
Capital Improvement Fund	500,000.00	500,000.00	500,000.00		-
Total Capital Improvements	500,000.00	500,000.00	500,000.00	-	-
Debt Service:					
Payment of Bond Principal	213,862.70	213,862.70	213,862.70		-
Interest on Bonds	87,310.50	87,310.50	86,406.46		904.04
Total Debt Service	301,173.20	301,173.20	300,269.16	-	904.04
Deferred Charges and Statutory Expenditures					
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	65,000.00	65,000.00	65,000.00		-
Social Security System (O.A.S.I.)	90,000.00	90,000.00	74,957.80		15,042.20
State Disability Insurance	5,000.00	5,000.00	700.91		4,299.09
Total Deferred Charges and Statutory Expenditures	160,000.00	160,000.00	140,658.71	-	19,341.29
Total Appropriations	\$ 2,771,173.20	2,771,173.20	2,555,288.43	11,852.14	203,128.59
					904.04
Original Budget	2,771,173.20	2,771,173.20			
			86,406.46	Interest on Bonds	
			2,468,881.97	Disbursed	
			2,555,288.43		

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

EXHIBIT - F
PARKING UTILITY FUND

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

	2022	2021
<u>Assets</u>		
Operating Fund:		
Cash	\$ 83,975.79	94,684.43
	<u>83,975.79</u>	<u>94,684.43</u>
Total Operating Fund	<u>83,975.79</u>	<u>94,684.43</u>
Capital Fund:		
Cash	69,855.20	69,855.20
Fixed Capital Authorized and Uncompleted	<u>170,000.00</u>	<u>170,000.00</u>
Total Capital Fund	<u>239,855.20</u>	<u>239,855.20</u>
	<u>\$ 323,830.99</u>	<u>334,539.63</u>
<u>Liabilities, Reserves, and Fund Balance</u>		
Operating Fund:		
Appropriation Reserves	\$ 67.47	48,943.50
Reserve for Encumbrances	<u>-</u>	<u>16,586.61</u>
	<u>67.47</u>	<u>65,530.11</u>
Fund Balance	<u>83,908.32</u>	<u>29,154.32</u>
Total Operating Fund	<u>83,975.79</u>	<u>94,684.43</u>
Capital Fund:		
Improvement Authorizations -		
Funded	29,855.20	29,855.20
Capital Improvement Fund	40,000.00	40,000.00
Reserve for Amortization	<u>170,000.00</u>	<u>170,000.00</u>
Total Capital Fund	<u>239,855.20</u>	<u>239,855.20</u>
	<u>\$ 323,830.99</u>	<u>334,539.63</u>

There were Bonds and Notes Authorized But Not Issued at December 31,

2021	-
2022	-

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

	<u>2022</u>	<u>2021</u>
<u>Revenues and Other Income Realized</u>		
Surplus Anticipated	\$ 28,950.00	77,900.00
Parking Meters	131,713.40	122,472.18
Miscellaneous Revenue Not Anticipated	27,448.04	20,247.04
Unexpended Balance of Appropriation Reserves	<u>64,542.56</u>	<u>31,359.98</u>
Total Income	<u>252,654.00</u>	<u>251,979.20</u>
<u>Expenditures</u>		
Operating	164,645.00	191,000.00
Capital Improvements	-	41,000.00
Deferred Charges and Statutory Expenditures	<u>4,305.00</u>	<u>5,900.00</u>
Total Expenditures	<u>168,950.00</u>	<u>237,900.00</u>
Excess in Revenues	83,704.00	14,079.20
<u>Adjustments to Income before Fund Balance</u>		
Expenditures included above which are by Statute Deferred Charges to Budgets of Succeeding Year	<u>-</u>	<u>-</u>
Total Adjustments	<u>-</u>	<u>-</u>
Statutory Excess to Fund Balance	<u>83,704.00</u>	<u>14,079.20</u>
<u>Fund Balance</u>		
Fund Balance January 1	<u>29,154.32</u>	<u>92,975.12</u>
	112,858.32	107,054.32
Decreased by:		
Utilized as Revenue in Operating Budget	<u>28,950.00</u>	<u>77,900.00</u>
Fund Balance December 31	<u>\$ 83,908.32</u>	<u>29,154.32</u>

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

**PARKING UTILITY FUND
PARKING UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Anticipated Budget	Realized	Excess or (Deficit)
Surplus	\$ 28,950.00	28,950.00	-
Parking Meters	<u>140,000.00</u>	<u>131,713.40</u>	<u>(8,286.60)</u>
	<u>\$ 168,950.00</u>	<u>160,663.40</u>	<u>(8,286.60)</u>
Analysis of Miscellaneous Revenues not Anticipated:			
Miscellaneous:			
Parking Permit Fees	26,656.00		
Interest on Investment	<u>792.04</u>		
		<u>27,448.04</u>	

PARKING UTILITY FUND
PARKING UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Appropriations		Expended		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid Charged	Reserved	
Operations:					
Salaries and Wages	\$ 60,000.00	56,460.00	56,407.43	52.57	
Other Expenses	104,500.00	108,185.00	108,182.67	2.33	
Total Operations	164,500.00	164,645.00	164,590.10	54.90	(0.00)
Deferred Charges and Statutory Expenditures					
Deferred Charges:					
None	-	-	-	-	-
Statutory Expenditures:					
Contributions to:					
Social Security System (O.A.S.I.)	4,200.00	4,240.00	4,236.05	3.95	-
State Disability Insurance	250.00	65.00	56.38	8.62	-
Total Deferred Charges and Statutory Expenditures	4,450.00	4,305.00	4,292.43	12.57	(0.00)
Total Appropriations	\$ 168,950.00	168,950.00	168,882.53	67.47	(0.00)
	Original Budget	168,950.00	168,882.53	Disbursed	
		168,950.00	168,882.53		

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

EXHIBIT - G
GENERAL FIXED ASSETS ACCOUNT GROUP

**GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,**

	<u>2022</u>	<u>2021</u>
<u>General Fixed Assets:</u>		
Land	\$ 1,355,963.07	1,324,613.51
Buildings	38,983,340.01	39,476,785.49
Infrastructure	2,018,568.00	13,175,953.93
Machinery & Equipment	2,962,480.57	3,713,603.96
Vehicles	<u>3,372,629.05</u>	<u>3,727,383.02</u>
Total General Fixed Assets	<u><u>48,692,980.70</u></u>	<u><u>61,418,339.91</u></u>
Total Investment in General Fixed Assets	<u><u>\$ 48,692,980.70</u></u>	<u><u>61,418,339.91</u></u>

NOTES TO THE FINANCIAL STATEMENTS

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

The Borough of Collingswood is a community of approximately 1.96 square miles located in Camden County less than six mile to Center Borough Philadelphia. The population according to the 2020 census is 14,186. The Borough has a Mayor-Commissioner form of government which operates under the Walsh Act for of government. The mayor and two commissioners each are elected to four-year terms.

Component units are legally separate organizations for which the Borough is financially accountable. The Borough is financially accountable for an organization if the Borough appoints a voting majority of the organization's governing board and (1) the Borough is able to significantly influence the programs or services performed or provided by the organization; or (2) the Borough is legally entitled to or can otherwise access the organization's resources; the Borough is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the Borough is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Borough in that the Borough approves the budget, the issuance of debt or the levying of taxes.

The financial statements of the component units of the Borough of Collingswood are not presented in accordance with Governmental Accounting Standards Board Statement No. 14. If the provisions of GASBS No. 14 had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the Borough, the primary government:

Collingswood Special Improvement District
678 Haddon Avenue
Collingswood, New Jersey 08108

Collingswood Free Public Library
771 Haddon Avenue
Collingswood, New Jersey 08108

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

B. Description of Funds

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

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

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

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

Water and Sewer Operating and Capital Funds -- account for the operations of the water and sewer utility and acquisition of capital facilities of the municipally owned Water and Sewer Utility.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

Parking Utility Operating and Capital Funds -- The Parking Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned public parking and enforcement.

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

C. Basis of Accounting

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

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

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

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

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

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

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

For the Water and Sewer Utility Operating Fund and Parking Utility Operating Fund, the cost of inventory is recorded as an asset at the time of purchase and included in the statements of assets, liabilities and reserves and fund balance.

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

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

accepted accounting principles.

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

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value on the date of acquisition. Expenditures for long lived assets with an original cost in excess of \$5,000.00 are capitalized.

No depreciation has been provided for in the financial statements.

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

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

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

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

The Borough is responsible for remitting 100% of the Special Improvement District, Borough of Collingswood School District and the County of Camden taxes to the respective agency. Collingswood Special Improvement District taxes are charged for the full amount required to be raised by taxation to support the district for the year. The Borough of Collingswood School District taxes are charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1st to December 31st. The County of Camden taxes are charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10th of the current year and due to be paid to the County by February 15th of the following year.

The loss for delinquent or uncollectible accounts is borne by the municipality and not the special district, school district or county.

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

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

delinquency. There is a ten-day grace period.

Levy of Utility Charges – The Borough operates a water and sewer and solid waste utility fund. Rates are determined by ordinance and changed as necessary. Charges are based on flat fees and usage based on the type of Borough. Charges are billed monthly and due within 15 days of the date rendered.

Interest on Delinquent Utility Charges – An additional charge of 5% of the current amount billed, net of any payments applied thereon, will be added to bills not paid within the specified payment time.

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

D. Required Financial Statements

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

E. Comparative Data

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

F. Recent Accounting Pronouncements Not Yet Effective

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91, "Conduit Debt Obligations". This statement is effective for fiscal periods beginning after December 31, 2022, will not have any effect on the Borough's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93, "Replacement of Interbank Offered Rates". This statement, which is effective for periods ending December 31, 2021, will not have any effect on the Borough's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". This statement, which is effective for periods beginning after June 15, 2022, and all reporting periods thereafter, will not have any effect on the Borough's financial reporting.

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription-Based Information Technology Arrangements". This statement, which is effective for periods beginning after June 15, 2022, and all reporting periods, thereafter, will not have any effect on the Borough's financial reporting.

In June 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

of GASB Statement No. 32". This statement, which is effective for periods beginning after June 15, 2021, and all reporting periods, thereafter, will not have any effect on the Borough's financial reporting.

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

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

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

NOTE 2: BUDGETARY INFORMATION

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the Borough is required to establish a reserve for uncollected taxes. The 2022 and 2021 statutory budgets included a reserve for uncollected taxes in the amount of \$37,594.73 and \$43,929.04. To balance the budget, the Borough is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2022 and 2021 statutory budgets was \$1,320,092.69 and \$1,664,070.12.

The Borough operates a self-liquidating water utility, sewer utility and parking utility. Under New Jersey Statutes a separate budget for the utility must be adopted concurrently with the operating budget of the Borough. The utility budget must be a balanced cash basis budget with fund balance being used to balance the budget. The amount of fund balance budgeted to balance the 2022 and 2021 statutory budgets for Water Utility was \$257,097.16 and \$238,469.47, the Sewer Utility was \$571,173.20 and \$168,852.14, the Parking Utility was \$28,950.00 and \$77,900.00 respectively.

The Chief Financial Officer has the discretion of approving intra department budgetary transfers throughout the year. Inter department transfers are not permitted prior to November 1. After November 1 these transfers can be made in the form of a resolution and approved by Board of Commissioners.

The following more significant budget transfers were approved in the 2022 and 2021 calendar years:

<u>Budget Category</u>	<u>2022</u>	<u>2021</u>
Current Fund:	None	None
Water Operating Fund:	None	
Bond Principal		(59,000.00)
Other Expenses		(22,300.00)
Bond Interest		81,000.00
Sewer Operating Fund:	None	None
Parking Operating Fund:		None
Salaries & Wages	(3,540.00)	
Other Expenses	3,685.00	

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BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

NJSA 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption. During 2022 and 2021, the following budget insertions were approved:

<u>Budget Category</u>	<u>2022</u>	<u>2021</u>
Clean Communities	\$ 29,510.12	\$ 29,300.91
Recycling Tonnage Grant		13,936.98
Body Worn Camera		81,520.00
NJBPU - Clean Fleet Electric Vehicle Incentive Grant		4,000.00
Cross County Connection	1,250.00	
Community Development Block Grant	39,400.00	
DEP EV DC Fast Charger Community Grant	75,000.00	
Delaware Valley Regional Planning Commission Top Grant	217,600.00	
BPU Clean Energy EV Tourism Grant	150,000.00	
	<u>\$ 512,760.12</u>	<u>\$ 128,757.89</u>

The Borough may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budgets of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. There were no special emergency appropriations approved in 2022. There was a Water emergency appropriation approved in 2022 for \$100,000.00.

NOTE 3: INVESTMENTS

As of December 31, 2022, and 2021, the Borough had no investments.

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

Credit Risk. New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the local unit or school districts of which the local unit is a part of: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities. The Borough has no investment policy that would further limit its investment choices.

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

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 4: CASH

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Borough's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, all demand deposits are covered by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Borough relative to the happening of a future condition. As of December 31, 2022, and 2021, \$1,140,731.85 and \$1,175,270.35 of the Borough's bank balance of \$19,103,745.50 and \$16,788,210.52 was exposed to custodial credit risk.

NOTE 5: FIXED ASSETS

The following schedules are a summarization of the changes in general fixed assets for the calendar years ended December 31, 2022, and 2021:

	Balance 12/31/2021	Additions	Adjustments/ Retirements	Balance 12/31/2022
Land	\$ 1,324,613.51	31,349.56		1,355,963.07
Infrastructure	13,175,953.93		(11,157,385.93)	2,018,568.00
Building	39,476,785.49		(493,445.48)	38,983,340.01
Vehicles	3,727,383.02		(354,753.97)	3,372,629.05
Machinery & Equipment	3,713,603.96	214,680.36	(965,803.75)	2,962,480.57
	<u>\$ 61,418,339.91</u>	<u>246,029.92</u>	<u>(12,971,389.13)</u>	<u>48,692,980.70</u>

	Balance 12/31/2020	Additions	Adjustments/ Retirements	Balance 12/31/2021
Land	\$ 1,450,613.51	74,000.00	(200,000.00)	1,324,613.51
Infrastructure	13,175,953.93			13,175,953.93
Buildings	26,222,810.98	14,014,325.26	(760,350.75)	39,476,785.49
Vehicles	3,854,136.22	38,246.80	(165,000.00)	3,727,383.02
Machinery & Equipment	3,655,723.79	200,293.17	(142,413.00)	3,713,603.96
	<u>\$ 48,359,238.43</u>	<u>14,326,865.23</u>	<u>(1,267,763.75)</u>	<u>61,418,339.91</u>

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BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 6: LONG TERM DEBT

Long-term debt as of December 31, 2022, and 2021 consisted of the following:

	Balance 12/31/2021	Issued	Retired	Balance 12/31/2022	Amounts Due Within One Year
General Capital:					
Serial Bonds	\$ 24,955,000.00		2,085,000.00	22,870,000.00	1,205,500.00
Bond Anticipation Notes	1,400,000.00		700,000.00	700,000.00	
Water Capital:					
Serial Bonds	4,734,800.00		283,900.00	4,450,900.00	249,800.00
NJ Infrastructure Trust	759,815.28		82,812.66	677,002.62	82,812.66
Sewer Capital:					
Serial Bonds	3,415,200.00		176,100.00	3,239,100.00	180,200.00
NJ Infrastructure Trust	126,733.83		37,762.70	88,971.13	24,971.13
Total	35,391,549.11	-	3,365,575.36	32,025,973.75	1,743,283.79
Authorized but not Issued:					
General	2,850,000.00			2,850,000.00	
Water Utility	500,000.00			500,000.00	
Sewer Utility	2,000,000.00			2,000,000.00	
Total Authorized But Not Issued	5,350,000.00	-	-	5,350,000.00	-
Total long-term liabilities	<u>\$ 40,741,549.11</u>	<u>-</u>	<u>3,365,575.36</u>	<u>\$ 37,375,973.75</u>	<u>\$ 1,743,283.79</u>

	Balance 12/31/2020	Issued	Retired	Balance 12/31/2021	Amounts Due Within One Year
General Capital:					
Serial Bonds	\$ 27,552,000.00		2,597,000.00	24,955,000.00	2,085,000.00
Bond Anticipation Notes		1,400,000.00		1,400,000.00	700,000.00
Water Capital:					
Serial Bonds	5,011,800.00		277,000.00	4,734,800.00	283,900.00
NJ Infrastructure Trust	842,627.94		82,812.66	759,815.28	82,812.66
Sewer Capital:					
Serial Bonds	3,587,200.00		172,000.00	3,415,200.00	176,100.00
NJ Infrastructure Trust	192,779.69		66,045.86	126,733.83	37,762.70
Total	37,186,407.63	1,400,000.00	3,194,858.52	35,391,549.11	3,365,575.36
Authorized but not Issued:					
General	4,250,000.00		1,400,000.00	2,850,000.00	
Water Utility	500,000.00			500,000.00	
Sewer Utility	2,000,000.00			2,000,000.00	
Total Authorized But Not Issued	6,750,000.00	-	1,400,000.00	5,350,000.00	-
Total long-term liabilities	<u>\$ 43,936,407.63</u>	<u>1,400,000.00</u>	<u>4,594,858.52</u>	<u>\$ 40,741,549.11</u>	<u>\$ 3,365,575.36</u>

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

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

\$3,500,000.00 General Obligation Bonds Taxable dated April 15, 2014, due in annual installments through February 15, 2024, bearing interest from 3.00% to 3.625% per annum. The balance remaining as of December 31, 2022, is \$815,000.00.

\$2,340,000.00 General Obligation Bonds Taxable dated April 20, 2016, due in annual installments through April 15, 2031, bearing interest from 2.00% to 3.40% per annum. The balance remaining as of December 31, 2022, is \$1,640,000.00.

\$2,525,000.00 General Obligation Refunding Bonds Taxable dated April 27, 2016, due in annual installments through June 1, 2029, bearing interest at various rates from 1.864% to 3.616% per annum. The balance remaining as of December 31, 2022, is \$1,685,000.00.

\$10,425,000.00 General Obligation Refunding Bonds dated April 27, 2016, due in annual installments through June 1, 2029, bearing interest at various rates from 4.00% to 5.00% per annum. The balance remaining as of December 31, 2022, is \$6,310,000.00.

\$13,152,000.00 General Obligation Bonds dated March 12, 2020, due in annual installments through March 1, 2040, bearing interest from 1.25% to 2.125% per annum. The balance remaining as of December 31, 2022, is \$12,420,000.00.

Outstanding bonds whose principal and interest are paid from the Water Utility Operating Fund of the Borough:

Serial Bonds:

\$1,575,300.00 Water Utility Refunding Bonds dated April 27, 2016, due in annual installments through June 1, 2028, bearing interest of 4.00% to 5.00% per annum. The balance remaining as of December 31, 2022, is \$890,900.00.

\$3,800,000.00 Water Utility Bonds dated March 12, 2020, due in annual installments through March 1, 2040, bearing interest at various rates from 1.25% to 2.125% per annum. The balance remaining as of December 31, 2022, is \$3,560,000.00.

Capital Loans:

\$1,914,314.00 Water New Jersey Infrastructure Trust Loans dated May 22, 2013, due in semiannual installments through August 1, 2032, bearing interest at the rates from 3.00% to 5.00% per annum. The water loan consists of \$640,000.00 trust loan and \$1,274,314.00 fund loan. Principal was forgiven on the fund loan in the amount of \$244,600.00 in 2013. The fund loan is at 0% per annum. The balance remaining as of December 31, 2022, is \$677,002.62.

Outstanding bonds whose principal and interest are paid from the Sewer Utility Operating Fund of the Borough:

Serial Bonds:

\$1,094,700.00 Sewer Utility Refunding Bonds dated April 27, 2016, due in annual installments through June 1, 2028, bearing interest of 4.00% to 5.00% per annum. The balance remaining as of December 31, 2022, is \$619,100.00.

\$2,800,000.00 Sewer Utility Bonds dated March 12, 2020, due in annual installments through March 1, 2040, bearing interest at various rates from 1.25% to 2.125% per annum. The balance remaining as of December 31, 2022, is \$2,620,000.00.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

Capital Loans:

\$726,000.00 Water New Jersey Infrastructure Trust Loans dated March 10, 2020, due in semiannual installments through August 1, 2029, bearing interest at the rates from 3.00% to 5.00% per annum. The sewer loan consists of \$180,000.00 trust loan and \$546,000.00 fund loan. The fund loan is at 0% per annum. The balance remaining as of December 31, 2022, is \$88,971.13.

Schedule of Annual Debt Service for Principal and Interest for Serial Bonds and New Jersey Infrastructure Trust Loans Issued and Outstanding

Year Ending December 31,	General Capital Fund Bonds		Total
	Principal	Interest	
2023	\$ 2,020,000.00	635,409.26	2,655,409.26
2024	2,075,000.00	566,255.78	2,641,255.78
2025	2,010,000.00	496,830.00	2,506,830.00
2026	2,060,000.00	425,082.80	2,485,082.80
2027	2,120,000.00	349,941.90	2,469,941.90
2028-2032	6,835,000.00	906,368.10	7,741,368.10
2033-2037	3,600,000.00	403,937.50	4,003,937.50
2038-2040	2,150,000.00	67,868.75	2,217,868.75
	<u>\$ 22,870,000.00</u>	<u>3,851,694.09</u>	<u>26,721,694.09</u>

Year Ending December 31,	Water Utility Capital Bonds			Water Utility Capital Loan		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 249,800.00	108,811.50	358,611.50	82,812.66	13,150.00	95,962.66
2024	255,700.00	100,452.50	356,152.50	87,812.66	11,650.00	99,462.66
2025	264,550.00	91,724.75	356,274.75	92,812.66	9,900.00	102,712.66
2026	270,450.00	81,949.75	352,399.75	71,354.41	8,700.00	80,054.41
2027	282,250.00	71,732.25	353,982.25	65,328.91	7,500.00	72,828.91
2028-2032	1,248,150.00	252,913.00	1,501,063.00	276,881.32	19,350.00	296,231.32
2033-2037	1,200,000.00	130,750.00	1,330,750.00			
2038-2040	680,000.00	20,675.00	700,675.00			
	<u>\$ 4,450,900.00</u>	<u>859,008.75</u>	<u>5,309,908.75</u>	<u>677,002.62</u>	<u>70,250.00</u>	<u>747,252.62</u>

Year Ending December 31,	Sewer Utility Capital Bonds			Sewer Utility Capital Loan		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 180,200.00	78,438.50	258,638.50	24,971.13	3,150.00	28,121.13
2024	184,300.00	72,497.50	256,797.50	9,000.00	2,750.00	11,750.00
2025	190,450.00	66,300.25	256,750.25	9,000.00	2,350.00	11,350.00
2026	194,550.00	59,375.25	253,925.25	9,000.00	1,950.00	10,950.00
2027	202,750.00	52,142.75	254,892.75	9,000.00	1,600.00	10,600.00
2028-2032	926,850.00	184,187.00	1,111,037.00	28,000.00	1,800.00	29,800.00
2033-2037	900,000.00	92,750.00	992,750.00			
2038-2040	460,000.00	12,850.00	472,850.00			
	<u>\$ 3,239,100.00</u>	<u>618,541.25</u>	<u>3,857,641.25</u>	<u>88,971.13</u>	<u>13,600.00</u>	<u>102,571.13</u>

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Issued:			
General:			
Bonds, Notes and Other	\$ 23,570,000.00	26,355,000.00	27,552,000.00
Water Utility			
Bonds, Notes and Long Term Loans	5,127,902.62	5,494,615.28	5,854,427.94
Sewer Utility			
Bonds, Notes and Other	<u>3,328,071.13</u>	<u>3,541,933.83</u>	<u>3,779,979.69</u>
Total Issued	<u>32,025,973.75</u>	<u>35,391,549.11</u>	<u>37,186,407.63</u>
Authorized But Not Issued:			
General:			
Bonds and Notes	2,850,000.00	2,850,000.00	4,250,000.00
Water Utility			
Bonds and Notes	500,000.00	500,000.00	500,000.00
Sewer Utility			
Bonds and Notes	<u>2,000,000.00</u>	<u>2,000,000.00</u>	<u>2,000,000.00</u>
Total Authorized but Not Issued	<u>5,350,000.00</u>	<u>5,350,000.00</u>	<u>6,750,000.00</u>
Total Issued and Authorized But Not Issued	<u>37,375,973.75</u>	<u>40,741,549.11</u>	<u>43,936,407.63</u>
Deductions:			
Self-Liquidating Debt	<u>10,955,973.75</u>	<u>11,536,549.11</u>	<u>12,134,407.63</u>
Total Deductions	10,955,973.75	11,536,549.11	12,134,407.63
Net Debt	\$ <u>26,420,000.00</u>	\$ <u>29,205,000.00</u>	\$ <u>31,802,000.00</u>

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 2.115%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School	\$ 8,775,000.00	8,775,000.00	-
Water Utility	5,627,902.62	5,627,902.62	-
Sewer Utility	5,328,071.13	5,328,071.13	-
General Debt	<u>26,420,000.00</u>	-	<u>26,420,000.00</u>
	\$ <u>46,150,973.75</u>	<u>19,730,973.75</u>	<u>26,420,000.00</u>

Net Debt \$26,420,000.00 ÷ Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$1,249,143,373.00 = 2.115%.

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

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

3 1/2 % of Equalized Valuation Basis (Municipal)	\$	43,720,018.00
Net Debt		26,420,000.00
Remaining Borrowing Power	\$	<u>17,300,018.00</u>

Bond Anticipation Notes Payable – Short Term Debt

The Borough has \$700,000.00 in bond anticipation notes outstanding in the General Capital Fund at December 31, 2022. The note matures on October 5, 2023, at an interest rate of 3.77% per annum.

NOTE 7: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2022 and 2021, which were appropriated and included as anticipated revenue in their respective funds for the year ending December 31, 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Current Fund	\$ 1,994,667.48	\$ 1,320,092.69
Water Utility	370,057.16	257,097.16
Sewer Utility	322,529.63	571,173.20
Parking Utility	69,050.00	28,950.00

NOTE 8: TAXES COLLECTED IN ADVANCE

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

	<u>Balance 12/31/22</u>	<u>Balance 12/31/21</u>
Prepaid Taxes	\$ 311,043.86	\$ 332,791.01
Cash Liability for Taxes Collected in Advance	<u>\$ 311,043.86</u>	<u>\$ 332,791.01</u>

NOTE 9: SCHOOL TAXES

Local District School Taxes have been raised and remitted, or established as a payable, to the respective district in the following amounts:

	<u>2022</u>	<u>2021</u>
Local School District Taxes	\$ 18,675,512.00	\$ 18,567,521.00

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**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 10: PENSION FUNDS

Description of Plans

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

Public Employees' Retirement System

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

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established July 1, 2008, under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (NJSA 43:15c-1 et seq). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by NJSA 43: 15c-1 et seq. Currently there are 33 individuals enrolled in DCRP.

Police and Fireman's Retirement System

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

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provided for employee contributions of 7.50% of employee's annual compensation, as defined. Employers are required to contribute to an actuarially determined rate in PERS. The current PERS rate is 17.58% of covered payroll. The Borough's contributions to PERS for the years ended December 31, 2022, 2021, and 2020 were \$335,638.00, \$249,631.00, and \$325,081.00.

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

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

current PFRS rate is 33.25% of covered payroll. The Borough's contributions to PFRS for the years ended December 31, 2022, 2021, and 2020 were \$686,722.00, \$643,626.00, and \$600,067.00.

The contribution policy for the PFRS (Fire) is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate. The Borough's contributions to PFRS for the years ended December 31, 2022, 2021, and 2020 were \$335,638.00, \$249,631.00, and \$325,081.00.

For the DCRP, members contribute at a uniform rate of 5.5% of their base salary. Employers are required to contribute at a set rate of 3.0% of base salary. For the Deferred Contribution Retirement Program, the Borough's contribution for the years ended December 31, 2022, 2021, and 2020 were \$2,681.49, \$5,142.93, and \$7,401.41.

The total payroll for the year ended December 31, 2022, 2021, and 2020 was \$7,182,517.10, \$7,299,493.14, and \$6,604,841.86. Payroll covered by PFRS (Police) was \$2,021,585.00, \$1,989,794.00, and \$1,861,635.00. Payroll covered by PFRS (Fire) was \$1,266,054.00, \$1,391,947.00, and \$1,214,988.00. Payroll covered by PERS was \$2,197,629, \$1,980,969, and \$1,983,017.00.

Significant Legislation

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

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

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of $\frac{1}{4}$ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation,

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the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

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

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

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

NOTE 12: PENSION LIABILITIES

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

The following represents the Borough's pension liabilities as June 30, 2021:

Public Employees' Retirement System

The Borough has a liability of \$3,231,548.00 for its proportionate share of the net pension liability. 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 that was rolled forward to June 30, 2021. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the Borough's proportion would be 0.02727850520%, which would be a decrease of 8.20% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the Borough would have recognized pension expense of (\$697,344.00). At December 31, 2021, the Borough would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 50,966	\$ (23,134)
Changes of assumptions	16,830	(1,150,452)
Changes in proportion	154,434	(1,198,439)
Net difference between projected and actual earnings on pension plan investments		(851,275)
Total	<u>\$ 222,230</u>	<u>\$ (3,223,300)</u>

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

Year ended June 30,	
2022	\$ (1,249,313)
2023	(854,487)
2024	(535,135)
2025	(363,850)
2026	1,715
Total	<u>\$ (3,001,070)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2021, measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

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%

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

The actuarial assumptions used in the July 1, 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 real 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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US 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 assets	3.00%	9.15%
Real estate	8.00%	7.40%
High yield	2.00%	3.75%
Private Credit	8.00%	7.60%
Investment grade credit	8.00%	1.68%
Cash equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Risk mitigation strategies	3.00%	3.35%

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 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2057. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

The following presents the Borough's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Municipality's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	\$ 3,955,409	\$ 3,231,548	\$ 2,618,030

Pension plan fiduciary net position.

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

Police and Firemen's Retirement System

The Borough has a liability of \$6,647,632.00 for its proportionate share of the net pension liability. 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 July 1, 2020, that was rolled forward to June 30, 2021. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the Borough's proportion would be 0.09094941710%, which would be an increase of .79% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2020, the Borough would have recognized pension expense of (\$762,980.00). At December 31, 2021, the Borough would have reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 75,842	\$ (796,317)
Changes of assumptions	35,373	(1,992,264)
Changes in proportion	578,408	(403,267)
Net difference between projected and actual earnings on pension plan investments		(2,832,772)
Total	<u>\$ 689,623</u>	<u>\$ (6,024,620)</u>

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

Year ended June 30,		
2022	\$	(1,707,936)
2023		(1,282,051)
2024		(1,100,090)
2025		(1,084,822)
2026		(136,836)
Thereafter		(23,262)
Total	\$	(5,334,997)

Actuarial Assumptions

The total pension liability for the June 30, 2021, measurement date was determined by an actuarial valuation of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	3.25% - 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. For healthy annuitants, 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% adjustment for females. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152% 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.

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, 2013 to June 30, 2018.

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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 PFRS's target asset allocation as of June 30, 2021, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US 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 grade credit	8.00%	1.68%
Cash equivalents	4.00%	50.00%
U.S. Treasuries	5.00%	0.95%
Risk mitigation strategies	3.00%	3.35%

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 and the non-employer contributing entity will be made based 78% of the actuarially determine contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	\$ 9,393,959.32	6,647,632.00	4,361,569.33

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In addition to the PFRS liabilities listed above, a special funding situation exists for the Local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers under Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The June 30, 2021, State special funding situation net pension liability amount of \$2,036,258.082.00 is the accumulated differences between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The fiscal year ending June 30, 2021, State special funding situation pension expense of \$228,944,734.00 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2021. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and required contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2021, the State contributed an amount less than the actuarially determined amount.

Although the liabilities related to the special funding situation are the liabilities of the State of New Jersey, the proportionate share of the statewide liability allocated to the Borough was 0.09094941710% for 2021. The net pension liability amount allocated to the Borough was \$1,869,645.00. For the fiscal year ending June 30, 2021, State special funding situation pension expense of \$208,224.00 is allocated to the Borough.

Pension plan fiduciary net position.

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

NOTE 13 – OTHER POST-RETIREMENT BENEFITS

General Information about the Plan:

The Borough offers Other Post-Retirement Benefits (OPEB) to its employees through the State Health Benefit Local Government Retired Employees Plan (the Plan) a cost-sharing multiple employer defined benefit other postemployment benefit plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at:

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

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of post-retirement medical coverage for employees and their dependents who:

1) retired on a disability pension;

or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as

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established by the employer;

or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer;

or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

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

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

Allocation Methodology:

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense, however under the Regulatory Basis of Accounting followed by the Municipality these amounts are not accrued or recorded in the financial statements and the information listed in this note is for disclosure purposes only. Statewide across all member employers, the special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the Collective Total OPEB liabilities for the year ended June 30, 2021 were \$3,872,142,278 and \$14,177,910,609, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's non special funding situation during the measurement period July 1, 2020 through June 30, 2021. Employer and non-employer allocation percentages have been rounded for presentation purposes.

Special Funding Situation:

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

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local

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participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

Net OPEB Liability:

Components of Net OPEB Liability

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

	June 30, 2021	
	Collective Total	Proportionate Share
Total OPEB Liability	\$ 18,050,052,887	\$ 24,967,735
Plan Fiduciary Net Position	50,271,652	69,538
Net OPEB Liability	<u>\$ 17,999,781,235</u>	<u>\$ 24,898,197</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.28%	0.28%

At June 30, 2021 the Borough's proportionate share of the Collective Net OPEB Liability was \$24,898,197. The State's proportionate share for the Special Funding Situation that is associated with the Borough is \$237,628. The Borough's proportion of the Collective Net OPEB Liability was 0.138325% which was a decrease from the prior year of (1.95%). The State's proportionate share attributable to the Borough of the Collective Net OPEB Liability for the Special Funding Situation was 0.006154% which was a increase from the prior year of 49.51%.

Borough's Proportionate Share of Collective Net OPEB Liability	\$ 24,898,197
State's proportionate share that is associated with the Borough	237,628
Total	<u>\$ 25,135,825</u>

For the Year ended June 30, 2021, the Borough's Total OPEB Expense was (\$328,709) and the State of New Jersey realized Total OPEB Expense Special Funding in the amount of (\$32,425) for its proportionate share of Total OPEB Expense that is associated with the Municipality.

The total OPEB liability as of June 30, 2021, was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%
Salary increases*:	
PERS: Initial fiscal year applied	
Rate through 2026	2.00% to 6.00%
Rate thereafter	3.00% to 7.00%

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PFRS:

Rate for all fiscal years 3.25% to 15.25%

Mortality:

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

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

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

Actuarial assumptions used in the July 1, 2020, valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

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

Discount Rate

The discount rate for June 30, 2021, was 2.16%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

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

		1% Decrease (1.16%)		Discount Rate (2.16%)		1% Increase (3.16%)
<hr/>						
Collective						
Net OPEB Liability	\$	21,182,289,882	\$	17,999,781,235	\$	15,447,574,697
Proportionate Share						
Net OPEB Liability	\$	29,300,402	\$	24,898,197	\$	21,367,857

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

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

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		<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Collective				
Net OPEB Liability	\$	15,017,879,689	\$ 17,999,781,235	\$ 21,890,793,528
Proportionate Share				
Net OPEB Liability	\$	20,773,482	\$ 24,898,197	\$ 30,280,440

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

At June 30, 2021, the State reported deferred outflows of resources and deferred inflows of resources related to retired employees' OPEB from the following sources:

	<u>Collective Totals</u>		<u>Proportionate Share</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 403,893,589	\$ (3,765,820,027)	\$ 558,686	\$ (5,209,071)
Changes of assumptions	2,589,322,345	(3,181,672,721)	3,581,680	(4,401,049)
Net difference between projected and actual earnings on OPEB plan investments	8,606,416		11,905	
Changes in proportion and differences between contributions and proportionate share of contributions	5,534,468,995	(5,534,468,995)	1,896,405	(4,241,788)
Total	\$ 8,536,291,345	\$ (12,481,961,743)	\$ 6,048,676	\$ (13,851,908)

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

<u>Year ended June 30,</u>	<u>Collective Totals</u>	<u>Proportionate Share</u>
2022	\$ (1,074,753,405)	\$ (2,125,507)
2023	(1,076,167,210)	(2,128,303)
2024	(1,077,459,075)	(2,130,858)
2025	(769,416,743)	(1,521,652)
2026	(129,344,414)	(255,801)
Thereafter	181,470,449	358,889
Total	\$ (3,945,670,398)	\$ (7,803,232)

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

Collective OPEB Expenses reported by the State of New Jersey.

The components of allocable OPEB Expense related to specific liabilities of individual employers for the year ending June 30, 2021, are as follows:

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

Service cost	\$ 846,075,674
Interest on Total OPEB Liability	413,837,061
Expected Investment Return	(2,381,937)
Administrative Expenses	11,334,383
Changes of Benefit Terms	2,029,119
Current Period Recognition (Amortization) of Deferred Inflows/ Outflows of Resources:	
Differences between Expected and Actual Experience	(703,565,089)
Changes in Assumptions	(375,284,907)
Differences between Projected and Actual Investment Earnings on OPEB Plan Investments	4,971,262
Total Collective OPEB Expense	<u>\$ 197,015,566</u>

Schedule of Borough's Share of Net OPEB Liability

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Borough's Proportionate Share of Net OPEB Liability	\$ 0.138325%	0.141070%	0.132342%	0.150633%
Borough's Share of Net OPEB Liability	24,898,197	25,318,184	17,927,141	23,599,097
Borough's Covered Payroll	5,362,710	5,059,640	5,237,120	5,436,017
Borough's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	464.28%	500.39%	788.32%	638.48%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.28%	0.97%	1.97%	1.98%

NOTE 15: ACCRUED SICK AND VACATION BENEFITS

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 Borough's liability related to unused vacation, sick pay and compensation time. The Borough permits certain employees within limits to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absence amount is not reported as a liability in the accompanying financial statements. It is estimated that accrued benefits for compensated absences under the various agreements at December 31, 2022 was \$455,876.50 of which \$80,422.03 is due within one year.

	Value
	<u>12/31/2022</u>
FMBA #108	\$ 139,761.77
FOP Lodge #76	86,294.98
FOP Lodge #76 Superiors	73,884.94
Teamsters	67,495.63
Non-Union	<u>88,439.18</u>
	<u>\$ 455,876.50</u>

**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 16: ECONOMIC DEPENDENCY

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

NOTE 17: RISK MANAGEMENT

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

Property and Liability Insurance

The Borough maintains commercial insurance coverage for property, liability. During the year ended December 31, 2022, and 2021 the Borough did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease. The Borough maintains insurance coverage for property, liability and surety bonds. The Borough of is a member of the Camden County Joint Insurance Fund (JIF).

New Jersey Unemployment Compensation Insurance

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

Year	Employee Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2022	\$ 13,668.81	373.65	3,119.64	82,838.36
2021	12,300.82	309.58	1,348.24	71,915.54
2020	11,258.52	317.63	11,702.69	60,653.38

NOTE 18: DEFERRED COMPENSATION

The Borough offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements. The plan administrator is Valic.

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**BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021**

NOTE 19. LABOR CONTRACTS

As of December 31, 2022, the majority of the Borough's employees are organized in the following collective bargaining units. Contracts are continually being negotiated and the following table shows their current status.

Union	Category	Expiration	Covers
Teamsters Local 830	Public Works, Clerical	12/31/2022	All employees in Public Works and Clerical workers supervisors
FOP Lodge #76	Police	12/31/2024	Uniformed Police excluding supervisors
FOP Lodge #76	Police	12/31/2026	Police Supervisors
FMBA Local 108	Fire	12/31/2024	Uniformed Fire Fighters excluding Officers
FMBA Local 108A	Fire	12/31/2024	Fire Officers

NOTE 20. JOINT VENTURES/SHARED SERVICES

The Borough of Collingswood entered into a joint venture agreement with the Borough of Oaklyn to provide construction code services for electrical and plumbing. The agreement with Oaklyn was approved on May 3, 2010.

On November 6, 2007, the Borough of Collingswood entered into a joint venture agreement with the Haddon Borough Fire District #2 to provide fire protection services, effective January 1, 2008. Total expenditures for compensation and benefits are billed annually at an agreed upon amount. The Borough also provides fire code services to the Borough of Oaklyn.

On May 8, 2018, the Borough of Collingswood entered into a shared service agreement with the Merchantville Pennsauken Water Commission to operate the Borough's water supply system effective June 1, 2018, for five years. Payments are required to be paid quarterly.

NOTE 21: INTERFUND BALANCES

During the most current calendar year ended December 31, 2022, the following interfunds were included on the balance sheets of the various funds of the Borough of Collingswood:

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BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

	Due From	Due To
Current Fund:		
Animal Control Trust	\$ 0.09	
Trust Other Funds	240.80	
Trust Tax Sale	253.69	
Animal Control Trust:		
Current Fund		0.09
Trust Other Funds:		
Current Fund		240.80
Trust Tax Sale:		
Current Fund		253.69
Water Operating Fund:		
Sewer Operating Fund		12,840.09
Sewer Operating Fund:		
Water Operating Fund	12,840.09	
	\$ 13,334.67	13,334.67

The balances are primarily the result of interest earned but not reimbursed prior to year-end. The interfund between water and sewer was due to payment transfers from water rents to sewer rents.

NOTE 22. TAX ABATEMENTS

The Borough is authorized by the New Jersey Housing and Mortgage Financing Act Law of 1983, N.J.S.A. 55:14K-1 et seq. (hereinafter "HMFA Law"), and a Resolution of the Council dated March 13, 2007, to enter into property tax abatement agreements for the purpose of attracting affordable housing. The exemption of the projects from real property taxation subject to this law shall not extend beyond the date on which the Agency Mortgage is paid in full, which according to the HMFA Law, may not exceed fifty (50) years.

NJSA 40A:12A-1 et seq. "The Local Redevelopment and Housing Law" (LRHL), which designates "areas in need of redevelopment" as defined in the statute.

NJSA 40A:20-1 et seq. "Long Term Tax Exemption Law," which provides for long term tax exemption for the LRHL designated areas. The statutes were utilized by the Borough to attract redevelopers.

For the year ended December 31, 2022, the Borough abated property taxes totaling \$2,201,489.74.

<u>Purpose</u>	<u>Abatement</u>
84 Residential Housing Units	\$ 45,425.60
Rehabitate Parkview	1,758,905.47
34 Residential Housing Units	61,483.46
70 Residential Housing Units	35,444.50
Commerical Building 756 Haddon Avenue	62,607.29
Non-profit dedicated to helping those in need	34,845.20
Public Housing Entity	202,778.22
	<u>\$ 2,201,489.74</u>

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

The Borough entered into tax abatement agreements under the provisions of NJSA 40A:21-1 et seq. "The Five-Year Exemption and Abatement Law." For the fiscal year ended December 31, 2022, property taxes abated by the Borough under this law totaled \$5,222.38. The following is a summary of the agreement:

<u>Purpose</u>	<u>Abatement</u>
Food Market	\$ 5,222.38
	<u>\$ 5,222.38</u>

NOTE 23: CONTINGENT LIABILITIES

Grantor Agencies

The Borough receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with the terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and costs reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2022, the Borough estimates that no material liabilities will result from such audits.

Litigation

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

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriations for future payments of tax appeal losses. There are no significant pending tax appeals as of December 31, 2022.

NOTE 24: SUBSEQUENT EVENTS

Capital Ordinances

On March 6, 2023, the Board of Commissioners adopted capital ordinance 1756 which authorized the following projects to be completed. See table below.

<u>Project</u>	<u>Appropriation and Estimated Cost</u>	<u>Estimated Maximum Amount of Bonds & Notes</u>
#1756 - Improvements to Sewer Infrastructure	\$ 666,609.11	\$ -
Total	<u>\$ 666,609.11</u>	<u>\$ -</u>

On February 23, 2023 the Board of Commissioners approved a lease obligation for the purchase of 2 Chevy Tahoe's with accessories for \$104,830.90. The payments are as follows:

BOROUGH OF COLLINGSWOOD
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021

Year Ending December 31,	Lease Liability		Total
	Principal	Interest	
2023	\$ 37,394.95	-	37,394.95
2024	32,548.36	4,846.50	37,394.86
2025	34,887.59	2,507.36	37,394.95
	<u>\$ 104,830.90</u>	<u>7,353.86</u>	<u>112,184.76</u>

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2022, and July 7, 2023, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements. No items have come to the attention of the Borough that would require disclosure.

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APPENDIX C

FORM OF BOND COUNSEL OPINIONS



PARKER McCAY

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March __, 2024

Mayor and Board of Commissioners
of the Borough of Collingswood
678 Haddon Avenue
Collingswood, New Jersey

**RE: \$6,000,000 BOROUGH OF COLLINGSWOOD, COUNTY OF CAMDEN,
NEW JERSEY, GENERAL OBLIGATION BONDS, SERIES 2024**

Mayor and Board Commissioners:

We have served as Bond Counsel to the Borough of Collingswood, County of Camden, New Jersey ("Borough") in connection with the authorization, issuance, sale and delivery of the above-referenced obligations ("Bonds").

The Bonds are authorized to be issued pursuant to: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) the bond ordinances set forth in the Resolution (hereinafter defined), each duly and finally adopted by the Board of Commissioners and published in accordance with applicable law (collectively, the "Bond Ordinances"); (iii) a resolution adopted by the Board of Commissioners on February 5, 2024 ("Resolution"); and (iv) a Certificate of Determination and Award executed by the Chief Financial Officer of the Borough on February __, 2024 ("Award Certificate").

The Bonds are dated their date of delivery, mature on March 1 in each of the years and in the respective principal amounts set opposite each such year in the table below and bear interest at the interest rates per annum below, payable semi-annually on March 1 and September 1, commencing September 1, 2024, in each year until maturity or earlier redemption.

COUNSEL WHEN IT MATTERS.SM

Mount Laurel, New Jersey | Hamilton, New Jersey | Camden, New Jersey



<u>Year</u>	<u>Water</u> <u>Utility</u>	<u>Sewer</u> <u>Utility</u>	<u>Total</u>	<u>Interest</u> <u>Rate</u>	<u>Year</u>	<u>Water</u> <u>Utility</u>	<u>Sewer</u> <u>Utility</u>	<u>Total</u>	<u>Interest</u> <u>Rate</u>
2025	\$	\$	\$	%	2040	\$	\$	\$	%
2026					2041				
2027					2042				
2028					2043				
2029					2044				
2030					2045				
2031					2046				
2032					2047				
2033					2048				
2034					2049				
2035					2050				
2036					2051				
2037					2052				
2038					2053				
2039					2054				

The Bonds are issued in fully registered book-entry-only form without coupons, and are subject to redemption prior to their stated maturity dates as set forth therein.

The Bonds are being issued to provide funds which will be used to: (i) permanently finance the costs of various capital improvements and the acquisition of various capital equipment, for which obligations have been authorized, but not issued; and (ii) pay certain costs and expenses incidental to the issuance and delivery of the Bonds.

As the basis for the opinion set forth below, we have examined such matters of law as we have deemed necessary including, inter alia, the Constitution of the State of New Jersey, the Internal Revenue Code of 1986, as amended ("Code"), and the Local Bond Law. We have also examined such documents, certifications and instruments as we have deemed necessary including, without limitation, the Bond Ordinances, the Resolution, the Award Certificate, the representations and covenants of the Borough given pursuant to the Code as set forth in the Certificate as to Nonarbitrage and Other Tax Matters ("Nonarbitrage Certificate"), and the other certifications, opinions and instruments listed in the closing agenda prepared in connection with the settlement for the Bonds.

In rendering the following opinion, we have relied upon the authenticity, truthfulness and completeness of all documents, instruments and certifications examined including, without limiting the generality of the foregoing, the Nonarbitrage Certificate.

Based upon and subject to the foregoing, we are of the following opinion:

1. The Bonds are legal, valid and binding obligations of the Borough enforceable in accordance with the terms thereof, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other laws or equitable principles affecting the enforcement of creditors'



rights generally ("Creditors' Rights Limitations").

2. For the payment of principal of and interest on the Bonds, the Borough has the power and is obligated, to the extent payment is not otherwise provided, to levy ad valorem taxes upon all taxable real property within the Borough without limitation as to rate or amount, except to the extent that enforcement thereof may be affected by Creditors' Rights Limitations.

3. Interest on the Bonds is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Code and will not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the Bonds received or accrued by a foreign corporation subject to the branch profits tax may be included in computing the "dividend equivalent amount" of such corporation.

In addition, passive investment income, including interest on the Bonds, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering this opinion, we have assumed continuing compliance by the Borough with the applicable requirements of the Code, including requirements relating to, inter alia, the use and investment of proceeds of the Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Borough to comply with such covenants could result in the interest on the Bonds being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that may affect the tax-exempt status of the interest on the Bonds.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, controlled foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit, and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the Bonds will constitute disqualified income for this purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the Bonds is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount



of the premium assistance credit amount is in part determined by household income. Section 36B(d) of the Code provides that household income consists of the "modified adjusted gross income" of the taxpayer and certain other individuals. "Modified adjusted gross income" means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Bonds.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The Borough has designated the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. Eighty percent (80%) of the interest expense deemed incurred by banks, thrift institutions and other financial institutions to purchase or carry "qualified tax-exempt obligations" is deductible.

Owners of the Bonds should consult their own tax advisers as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

4. Interest on the Bonds and any gain from the sale thereof are not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof.

We express no opinion as to any matter not set forth in the numbered paragraphs above including, without limitation, any financial or other information which has been or may be supplied to purchasers of the Bonds.

The opinions expressed in the numbered paragraphs above are being rendered on the basis of federal law and the laws of the State of New Jersey, as presently enacted and construed, and we assume no responsibility to advise any party as to any changes in law or fact subsequent to the date hereof.

This is only an opinion letter and not a warranty or guaranty of the matters discussed above.

This letter is being provided solely for the benefit of the Borough and may not be relied upon by any other person, party, firm or organization without our prior written consent.

Very truly yours,



PARKER McCAY

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March __, 2024

Mayor and Board of Commissioners
of the Borough of Collingswood
678 Haddon Avenue
Collingswood, New Jersey

RE: \$2,850,000 BOROUGH OF COLLINGSWOOD, COUNTY OF CAMDEN, NEW JERSEY, BOND ANTICIPATION NOTES OF 2024, SERIES A

Mayor and Board Commissioners:

We have served as Bond Counsel to the Borough of Collingswood, County of Camden, New Jersey ("Borough"), in connection with the authorization, issuance, sale and delivery of the above-referenced obligations ("Notes").

The Notes are issued pursuant to and in accordance with: (i) the Local Bond Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law"); (ii) bond ordinance 1655, duly and finally adopted by the Board of Commissioners ("Bond Ordinance"), and published in accordance with the requirements of the Local Bond Law; and (iii) a Certificate of Determination and Award executed by the Chief Financial Officer of the Borough on February 29, 2024 ("Award Certificate").

The Notes are issued to temporarily finance the costs of certain improvements described in the Bond Ordinance. The Notes are dated March 19, 2024 and mature on March 18, 2025. The Notes are issued in [registered book-entry only] [bearer] form without coupons and are not subject to redemption prior to their stated maturity date.

As the basis for the opinion set forth below, we have examined such matters of law as we have deemed necessary including, inter alia, the Constitution of the State of New Jersey, the Internal Revenue Code of 1986, as amended, ("Code"), and the Local Bond Law. We have also examined such documents, certifications and instruments as we have deemed necessary including, without limitation, the Bond Ordinance, the Award Certificate, the representations and covenants of the Borough given pursuant to the Code as set forth in the Certificate as to Nonarbitrage and other Tax Matters ("Nonarbitrage Certificate"), and the other certifications, opinions and instruments listed in the closing agenda prepared in connection with the settlement for the Notes.

In rendering the following opinion, we have relied upon the authenticity, truthfulness and completeness of all documents, certifications, instruments and opinions examined including, without limiting the generality of the foregoing, the Nonarbitrage Certificate.

COUNSEL WHEN IT MATTERS.SM

Mount Laurel, New Jersey | Hamilton, New Jersey | Camden, New Jersey



Based upon and subject to the foregoing, we are of the following opinion:

1. The Notes are legal, valid and binding obligations of the Borough enforceable in accordance with the terms thereof, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally ("Creditors' Rights Limitations").
2. For the payment of principal of and interest on the Notes, the Borough has the power and is obligated, to the extent payment is not otherwise provided, to levy ad valorem taxes upon all taxable real property within the Borough without limitation as to rate or amount, except to the extent that enforcement thereof may be affected by Creditors' Rights Limitations.
3. Interest on the Notes is not included for federal income tax purposes in the gross income of the owners thereof pursuant to Section 103 of the Code and does not constitute a tax preference item for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the Notes received or accrued by a foreign corporation subject to the branch profits tax may be included in computing the "dividend equivalent amount" of such corporation.

In addition, passive "investment" income, including interest on the Notes, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In rendering this opinion, we have assumed continuing compliance by the Borough with the applicable requirements of the Code, including requirements relating to, inter alia, the use and investment of proceeds of the Notes and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the Borough to comply with such covenants could result in the interest on the Notes being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that may affect the tax-exempt status of the interest on the Notes.

Ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers including, without limitation, certain holders of an interest in a financial asset securitization investment trust, property and casualty insurance companies, controlled foreign corporations, individual recipients of Social Security or Railroad Retirement benefits, individuals who otherwise qualify for the earned income credit and to individuals and families that qualify for a premium assistance credit amount under Section 36B of the Code. The Code denies the earned income credit to an individual who is otherwise eligible if the aggregate amount of disqualified income of the taxpayer for the taxable year exceeds certain limits set forth in Sections 32(i) and (j) of the Code. Interest on the Notes will constitute disqualified income for this



purpose. The Code also provides that the earned income credit is phased out if the modified adjusted gross income of the taxpayer exceeds certain amounts. Interest on the Notes is included in determining the modified adjusted gross income of the taxpayer. Section 36B of the Code provides that the amount of the premium assistance credit amount is in part determined by household income. Section 36B(d) of the Code provides that household income consists of the "modified adjusted gross income" of the taxpayer and certain other individuals. "Modified adjusted gross income" means adjusted gross income increased by certain amounts, including interest received or accrued by the taxpayer which is exempt from tax, such as the interest on the Notes.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986 other than "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. The Borough has designated the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. Eighty percent (80%) of the interest expense deemed incurred by banks, thrift institutions and other financial institutions to purchase or carry "qualified tax-exempt obligations" is deductible.

Owners of the Notes should consult their own tax advisers as to the applicability and effect on their federal income taxes of the alternative minimum tax, the branch profits tax and the tax on passive investment income of S corporations, as well as the applicability and effect of any other collateral federal income tax consequences.

4. Interest on the Notes and any gain from the sale thereof are not included in the gross income of the owners thereof under the New Jersey Gross Income Tax Act, as enacted and construed on the date hereof.

We express no opinion as to any matter not set forth in the numbered paragraphs above including, without limitation, any financial or other information which has been or may be supplied to purchasers of the Notes.

The opinions expressed in the numbered paragraphs above are being rendered on the basis of federal law and the laws of the State of New Jersey, as presently enacted and construed, and we assume no responsibility to advise any party as to any changes in law or fact subsequent to the date hereof.

This is only an opinion letter and not a warranty or guaranty of the matters discussed above.

This letter is being provided solely for the benefit of the Borough and may not be relied upon by any other person, party, firm or organization without our prior written consent.

Very truly yours,

APPENDIX D

FORM OF CONTINUING DISCLOSURE AGREEMENT AND FORM OF INFORMATION REPORTING UNDERTAKING AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT ("Disclosure Agreement") is made on this ___th day of March, 2024 between the Borough of Collingswood, County of Camden, New Jersey ("Borough") and the Dissemination Agent (hereinafter defined). This Disclosure Agreement is entered into in connection with the issuance and sale by the Borough of its General Obligation Bonds, Series 2024, in the principal amount of \$_____ ("Bonds"). The Bonds shall consist of: (i) \$_____ principal amount of Sewer Utility Bonds; and (ii) \$_____ principal amount of Water Utility Bonds.

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered for the benefit of the holders and beneficial owners of the Bonds (collectively, the "Bondholders") and in compliance with the provisions of Rule 15c2-12(b)(5), promulgated by the Securities and Exchange Commission ("Commission") pursuant to the Securities Exchange Act of 1934, as it may be amended from time to time, including administrative or judicial interpretations thereof, as it applies to the Bonds ("Rule").

SECTION 2. Definitions. Capitalized terms, not otherwise defined herein, shall, for purposes of this Disclosure Agreement, have the following meanings:

"Annual Report" shall mean, the Borough's Annual Report provided pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Commission" shall have the meaning set forth in Section 1 of this Disclosure Agreement

"Business Day" shall mean any day other than a Saturday, Sunday or a day on which the Borough or the Dissemination Agent is authorized by law or contract to remain closed.

"Continuing Disclosure Information" shall mean: (i) the Annual Report; (ii) any notice required to be filed with the National Repository pursuant to Section 5 hereof; and (iii) any notice of an event required to be filed with the National Repository pursuant to Section 3(c) hereof.

"Dissemination Agent" shall mean Phoenix Advisors, LLC, Bordentown, New Jersey, or any successor Dissemination Agent designated in writing by the Borough and which has filed with the Borough a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access System, an internet based filing system created and maintained by the MSRB in accordance with Release No. 34-59062 of the Commission, dated December 5, 2008, pursuant to which issuers of tax-exempt bonds, including the Bonds, and other filers on behalf of such issuers shall upload Continuing Disclosure Information to assist underwriters in complying with the Rule and to provide the general public with access to such Continuing Disclosure Information.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"National Repository" shall mean the MSRB, through the internet facilities of EMMA, or any other public or private repository or entity that shall hereafter be designated by the Commission as a repository for purposes of the Rule.

"Official Statement" shall mean the Official Statement of the Borough dated February __, 2024, relating to the Bonds.

"Opinion of Counsel" shall mean a written opinion of counsel expert in federal securities law acceptable to the Borough.

"Rule" shall have the meaning set forth in Section 1 of this Disclosure Agreement.

SECTION 3. Provision of Annual Report.

(a) The Borough shall not later than two hundred seventy (270) days after the end of its fiscal year (currently December 31) for each fiscal year until termination of the Borough's reporting obligations under this Disclosure Agreement pursuant to the provisions of Section 6 hereof provide to the Dissemination Agent the Annual Report prepared for the preceding fiscal year of the Borough (commencing for the fiscal year ending December 31, 2024). Each Annual Report provided to the Dissemination Agent by the Borough shall comply with the requirements of Section 4 of this Disclosure Agreement but may be submitted as a single document or as separate documents comprising a package and may cross-reference other information submitted to the National Repository. Any and all items that must be included in the Annual Report may be incorporated by reference from other information that is available to the public on EMMA, or that has been filed with the Commission.

(b) The Dissemination Agent, promptly (within fifteen (15) Business Days) after receiving the Annual Report from the Borough, shall submit each Annual Report received by it to the National Repository and thereafter shall file a written report with the Borough certifying that the Annual Report has been provided pursuant to this Disclosure Agreement to the National Repository and stating the date it was provided to the National Repository.

(c) If the Borough fails to provide the Annual Report to the Dissemination Agent by the date required in subsection (a) of this Section 3, the Dissemination Agent shall send a notice to the Borough advising of such failure. Whether or not such notice is given or received, if the Borough thereafter fails to submit the Annual Report to the Dissemination Agent within fifteen (15) Business Days after the Annual Report was due pursuant to the provisions of subsection (a) of this Section 3, the Dissemination Agent shall promptly send a notice (with a copy of said notice to the Borough) to the National Repository in substantially the form attached as EXHIBIT "A" hereto.

SECTION 4. Contents of Annual Report. Annual Report shall mean: (i) the Borough's annual financial statements, substantially in the form set forth in Appendix B to the Official Statement, audited by an independent certified public accountant, provided that the annual audited financial statements of the Borough may be submitted separately from the balance of the Annual Report and later than the date required in Section 3(a) hereof for the filing of the Annual Report if the annual audited financial statements are not available by that date, but only if the unaudited financial statements of the Borough are included in the Annual Report; and (ii) certain financial information and operating data of the Borough consisting of Borough indebtedness, property valuation information, and tax rate, levy and collection data. Each annual audited financial statements will conform to generally accepted accounting principles applicable to governmental units or will be prepared in accordance with the standards of the Governmental Accounting Standards Board and requirements of the Division of Local Government Services in the New Jersey Department of Community Affairs as such principles, standards and requirements exist at the time of the filing of the particular annual audited financial statements.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following listed events ("Listed Events"):

- (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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to the rights of Bondholders, if material;
- (8) Bond calls (excluding mandatory sinking fund redemptions), if material, or tender offers;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (15) incurrence of a financial obligation¹ of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) The Borough shall within seven (7) Business Days of the occurrence of any of the Listed Events, notify the Dissemination Agent in writing to report the event pursuant to subsection (c) of this Section 5. In determining the materiality of a Listed Event specified clauses (2), (7), (8), (10), (13) or (14) of subsection (a) of this Section 5, the Borough may, but shall not be required to, rely conclusively on an Opinion of Counsel.

¹ The term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with Rule 15c2-12.

(c) If the Dissemination Agent has been instructed by the Borough to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the National Repository within five (5) Business Days of the receipt of such instruction, with a copy of such notice provided by the Dissemination Agent to the Borough.

SECTION 6. Termination of Reporting Obligations. The reporting obligations of the Borough under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds or when the Borough is no longer an Obligated Person (as defined in the Rule) with respect to the Bonds.

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Borough may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an Opinion of Counsel to the effect that such amendment or waiver will not, in and of itself, cause the undertakings herein to violate the Rule. No amendment to this Disclosure Agreement shall change or modify the rights or obligations of the Dissemination Agent without its written assent thereto. The Borough shall give notice of such amendment or waiver to this Disclosure Agreement to the Dissemination Agent and the Dissemination Agent shall file such notice with the National Repository.

SECTION 8. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Borough from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Borough chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, it shall not have any obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 9. Default and Remedies. In the event of a failure of the Borough to comply with any provision of this Disclosure Agreement, the Dissemination Agent may (and, at the request of the Bondholders of at least twenty-five percent (25%) in aggregate principal amount of the outstanding Bonds and provision of indemnity and security for expenses satisfactory to it, shall), or any beneficial owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Borough to comply with its obligations under this Disclosure Agreement. A failure of the Borough to comply with any provision of this Disclosure Agreement shall not be deemed to be a default under the Bonds. The sole remedy under this Disclosure Agreement in the event of any failure of the Borough to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 10. Notices. All notices and other communications required or permitted under this Disclosure Agreement shall be in writing and shall be deemed to have been duly given, made and received only when delivered (personally, by recognized national or regional courier service, or by other messenger, for delivery to the intended addressee) or when deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, addressed as set forth below:

- (i) If to the Borough:

Borough of Collingswood
678 Haddon Avenue
Collingswood, New Jersey 08108
Attention: Chief Financial Officer

- (ii) If to the Dissemination Agent:

Phoenix Advisors LLC
625 Farnsworth Avenue
Bordentown, New Jersey 08505
Attention: Sherry L. Tracey, Senior Managing Director

Any party may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provision of this Section 11 for the giving of notice.

SECTION 11. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Borough, the Dissemination Agent and the Bondholders and nothing herein contained shall confer any right upon any other person.

SECTION 12. Submission of Information to MSRB. Any Continuing Disclosure Information filed with the MSRB in accordance with this Disclosure Agreement shall be in electronic format as shall be prescribed by the MSRB or such other format as the Rule may require or permit, and shall be accompanied by such identifying information as shall be prescribed by the MSRB or as may otherwise be required by the Rule.

SECTION 13. Compensation. The Borough shall pay the Dissemination Agent from time to time reasonable compensation for all services rendered under this Disclosure Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents and employees, incurred in and about the performance of its powers and duties under this Disclosure Agreement.

SECTION 14. Successors and Assigns. All of the covenants, promises and agreements contained in this Disclosure Agreement by or on behalf of the Borough or by or on behalf of the Dissemination Agent shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 15. Headings for Convenience Only. The descriptive headings in this Disclosure Agreement are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 17. Severability. If any provision of this Disclosure Agreement, or the application of any such provision in any jurisdiction or to any person or circumstance, shall be held

invalid or unenforceable, the remaining provisions of this Disclosure Agreement, or the application of such provision as is held invalid or unenforceable in jurisdictions or to persons or circumstances other than those in or as to which it is held invalid or unenforceable, shall not be affected thereby.

SECTION 18. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Disclosure Agreement as of the date first above written.

BOROUGH OF COLLINGSWOOD, NEW JERSEY

By: _____
ELIZABETH PIGLIACELLI, Chief Financial Officer

**PHOENIX ADVISORS LLC,
as Dissemination Agent**

By: _____
SHERRY TRACEY, Senior Managing Director

EXHIBIT A

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE AN ANNUAL REPORT

Name of Issuer: Borough of Clementon, County of Camden, New Jersey

Name of Bond Issues Affected: General Obligation Bonds, Series 2024

Date of Issuance of the Affected
Bond Issue: March __, 2024

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above named Bond issue as required by Section 3 of the Continuing Disclosure Agreement, dated March __, 2024, between the Borough and the Dissemination Agent. [TO BE INCLUDED ONLY IF THE DISSEMINATION AGENT HAS BEEN ADVISED OF THE EXPECTED FILING DATE - The Issuer anticipates that such Annual Report will be filed by _____.]

Dated: _____

PHOENIX ADVISORS LLC,
as Dissemination Agent

cc: Borough of Collingswood, New Jersey

INFORMATION REPORTING UNDERTAKING AGREEMENT

ISSUER: Borough of Collingswood, County of Camden, New Jersey ("Issuer")

ISSUE: \$2,850,000 Bond Anticipation Notes of 2024, Series A
(Non-Callable) ("Notes")

DATED: March 19, 2024

CUSIP: _____

This Information Reporting Undertaking Agreement ("Agreement") is executed and delivered by the Issuer as of the date set forth below for the purpose of providing continuing disclosure with respect to the Issuer in order to comply with the provisions of Rule 15c2-12 ("Rule"), promulgated by the Securities and Exchange Commission ("Commission") pursuant to the Securities Exchange Act of 1934, as it may be amended and supplemented from time to time.

Section 1. (a) The Issuer, as an obligated person for purposes of and as defined in the Rule ("Obligated Person"), hereby agrees, in accordance with the provisions of the Rule, so long as any of the Notes are outstanding to provide or cause to be provided to the Municipal Securities Rulemaking Board ("MSRB"), through the internet facilities of the Electronic Municipal Market Access System ("EMMA")¹, or any other public or private repository or entity that shall hereafter be designated by the Commission as a repository for purposes of the Rule (each a "National Repository") and any public or private repository or entity designated by the State of New Jersey as a state information repository for purpose of the Rule ("State Repository" and together with each National Repository, the "Repository" or "Repositories"), as applicable, notice of the occurrence of any of the following listed events (each a "Listed Event" or "Listed Events") with respect to the Notes:

- i. Principal and interest payment delinquencies;
- ii. Non-payment related defaults, if material
- iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
- iv. Unscheduled draws on credit enhancements reflecting financial difficulties;
- v. Substitution of credit or liquidity providers, or their failure to perform;
- vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes;

¹ An internet based filing system created and maintained by the MSRB in accordance with Release No. 34-59062, of the Commission, dated December 5, 2008, pursuant to which issuers of tax-exempt bonds, including the Notes, and other filers on behalf of such issuers shall upload certain information and notices to assist underwriters in complying with the Rule and to provide the general public with access thereto.

- vii. Modifications to the rights of Noteholders, if material;
- viii. Note calls (excluding mandatory sinking fund redemptions), if material, or tender offers;
- ix. Defeasances;
- x. Release, substitution, or sale of property securing repayment of the Notes, if material;
- xi. Rating changes;
- xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;
- xiii. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- xv. Incurrence of a financial obligation² of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and
- xvi. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) The Issuer shall, within ten (10) business days of the occurrence of any of the Listed Events, report the event to the MSRB, through the internet facilities of EMMA, or any other Repositories, as applicable, pursuant to the provisions of Section 1(a) hereof. In determining the materiality of a Listed Event specified in subsections (a)(ii), (vii), (viii), (x), (xiii), (xiv) and (xv) of this Section 1, the Issuer may, but shall not be required to, rely conclusively on a written opinion of counsel expert in federal securities law acceptable to the Issuer.

Section 2. The Issuer reserves the right to terminate its obligation to provide notices of Listed Events, if material, as set forth above, if and when the Issuer no longer remains an Obligated Person with respect to the Notes within the meaning of the Rule. The Issuer will provide notice of such termination to the MSRB via the internet facilities of EMMA and the State Repository, if any.

² The term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with Rule 15c2-12.

Section 3. The Issuer agrees that its undertaking pursuant to the Rule set forth in Section 1 of this Agreement is intended to be for the benefit of the holders of the Notes and shall be enforceable by such Noteholders; provided that, the Noteholder's right to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Obligated Person's obligations hereunder.

Section 4. This Agreement shall be governed by the laws of the State of New Jersey.

IN WITNESS WHEREOF, the Issuer has executed and delivered this Agreement as of this 19th day of March, 2024.

**TOWNSHIP OF COLLINGSWOOD,
COUNTY OF CAMDEN, NEW JERSEY**

By: _____
ELIZABETH PIGLIACELLI,
Chief Financial Officer